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21 September 1982

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ROLE, IMPORTANCE OF MEDIA IN EDUCATION DISCUSSED

London AL-MAJALLAH in Arabic No 123, 19-25 Jun 82 pp 77-78

[Article by 'Abd al-'Aziz al-Tamimi: "A Conference in Riyadh Attended By Media Officials and Educators: 'How Can Communications Specialists Serve Educators?'" ]

[Text] Riyadh--Under the title "How Can Communications Specialists Serve Educators?" Riyadh, the Saudi capital, witnessed a public gathering of Gulf Arab educators organized by the Arab Office of Education for the Gulf Countries under the auspices of Prince Nayif ibn 'Abd-al-'Aziz, the minister of the interior and chairman of the higher committee on information.

Throughout the conference, which lasted 4 days, the convention hall at the Hotel Qasr al-Riyad was jammed with important Arab and Gulf educators and media specialists.

Dr Muhammad aAbduh Yamani, the Saudi minister of information; Dr Yusuf Ya'qub al-Ghunaym, the Kuwaiti minister of education; Dr 'Abd-al-'Aziz al-Khuwaytir, the Saudi minister of education; and other important officials and individuals concerned with education in the Arab World were among those invited to express their views, participate in discussions and deliver lectures on the goals of the media and education, and strategies for coordinating and integrating the work of the media and the educational process.

On the first day of the conference Prince Nayif ibn 'Abd-al-'Aziz delivered the opening address in which he discussed the important connection between education and the media and society. He said that there was a missing link between the two and that the participants at the conference must work seriously and with a sense of urgency to bridge this missing link through adherence to scientific methods. He emphasized the strong connection between education and the media because they both play a part in the development of the individual and his ideas and the elements of his personality. They both have a direct role in the influence on society. He said, "Since their inception the broadcast and print media have been free to enter every area of the individual's private life. They therefore have a manifest influence on the formation of his ideas and his opinions. In addition, education,

particularly the official or grade-school portion, teaches the individual how to think and enables him to proceed from ignorance to knowledge. It furthermore serves to instill in him the values and principles accepted by society."

At the end of his speech Prince Nayif called for education, with its curricula and methods, and communications, with its media and programs, to complete and complement each other. He suggested to this scientific gathering that it produce practical applicable programs based on a careful understanding of the requirements for molding good Arab Muslims.

Dr Muhammad al-Ahmad al-Rashid, the director of the Arab Office of Education for the Gulf Countries, emphasized the importance of this meeting and the importance of the link between education and the media. He emphasized that this important link must be given the attention it deserves. Dr al-Rashid said, "Information and education are indispensable elements both of which must be present for a society to function." He also said, "Today, more than ever before, officials in each sector must coordinate their work to complete that of the other."

He added, "We have high hopes that this conference will come up with plans for us applicable to all the Arab Gulf countries."

On the first day and the days that followed the participants heard numerous lectures given by educators and media specialists.

Dr Yusuf al-Ghunaym delivered a lecture entitled "Teaching and Communications For the Sake Of Education Is Better For the Progress Of the Arab Nation" in which he discussed the challenges confronting the Muslim Arab in the midst of change in the contemporary world. He said, "People in this region need a new way of thinking, new values and new skills. The role of education is to help people to change so they can face the responsibilities of this challenge confronting them."

"In this age of revolutionary advances in communications contemporary man needs information fast, accurate and up to the minute. As Dr al-Ghunaym said, "the space shuttle went forth, then returned carrying the message that barriers had been eliminated. How can we become part of the contemporary world, with its experiences, its technologies and its skills without losing our cultural identity, our spirit of brotherly love and the nuclear family that binds us together?" Dr al-Ghunaym asked how communications specialists can serve educators, then answered the question, as follows: "There are many people speaking about and to the Muslim Arab, about his priorities, his concerns and the nature of the challenges he is facing. If we have such specific goals, such clarity of vision and such well-defined roles the way to organization seems smooth and clear."

## Recommendations

This conference was held to carry out the sixth resolution issued by the sixth general congress of ministers of education and information in the Arab Office of Education For the Gulf Countries which was held last year.

The conference was attended by representatives of the ministries of education and information of the member nations, the Federation of Arab Universities, the Arab Organization for Education Culture and Sciences, UNESCO, the Organization of Broadcasters In Islamic Countries, the Institute of Joint Gulf Production, the Gulf Television System, the Center for Information Documentation for the Arab Gulf nations in Baghdad and the Arab Center for Social and Educational Development. Several researchers and specialists in education and the media also participated.

About 28 research papers were presented at the conference by a number of Arab educators and media specialists. Among the most prominent of them were Dr Yusuf al-Ghunaym, Dr Yusuf 'Izz-al-Din, Dr Muhammad al-Ghannam, Dr Nizar al-Hadithi, Dr 'Abd-al-Nawwab Yusuf, Dr Hasan Zaza, Dr Zaki al-Jabir, and others.

The goals of the conference were defined as follows:

1. Defining the goals of information released to the citizens of the Arab Gulf countries.
2. Ascertaining to what extent information is achieving its specific goals.
3. Determining the role of educators in using the information media to achieve the goals of education.
4. Devising a strategy for coordination, cooperation and intergration between the educational process and the media.
5. Determining methods for implementation.

The conference's sessions were led by the Saudi minister of information, Dr Muhammad 'Abduh Yamani, who was elected chairman.

During six working sessions the participants reviewed the research and studies which were presented and discussed at the conference.

The participants issued about 11 recommendations among which were the following:

1. A strategy for coordination between education and the media:

The participants agreed that the educational process and the media share the same goal of inculcating the Muslim Arab with values, customs, attitudes and aspirations, and helping him to do his part to resist contemporary civilization within the framework of his Islamic Arab heritage.

2. Arab-Islamic Values: The participants strongly urged setting media and education goals directed toward children in the desire to instill Islamic and Arab values in the younger generations to ensure their future and the future of the community.

3. Intellectual aggression: the conference emphasized the need to resist cultural and intellectual aggression in two ways:

1. Preventive, which is based on the need to establish an information barrier to exclude anything that is contrary to the values and principles of the Islamic faith.

2. Curative, which is based on educational curricula and media programs which refute beliefs and values that are contrary to Islam, and expose their invalidity and danger through logic, discussion and persuasion.

4. Religion and the media: the conference called for ensuring that all media programs be steeped in the Islamic tradition. Thi way there will be no need for some religious programs and other non-religious programs. Religious programs must be regarded as [unknown word].

5. The Arabic language in education and the media: the conference emphasized the necessity of strengthening the Arabic language in educational literature and media institutions as the language of the noble Koran and the vehicle for articulating Arab values, which makes it necessary to preserve it and to commit ourselves to it in education and media programs.

The conference called for devising a joint work plan in which roles will be available for media personnel and educators to achieve the higher goals and coordination between the people in both fields. It also recommended that joint meetings be arranged to unify positions on the process of properly educating the [younger] generations in accordance with the community's traditions and heritage.

It also recommended using the information media in the elimination of illiteracy, in adult education and in spiritual, technical and teacher training. The conference called for the establishment of a data bank to support agencies concerned with information and enhancing communications.

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PIPELINE TO BE RELOCATED

Manama AL-MAWAQIF in Arabic No 432, 12 Jul 82 p 5

[Article: "Two Pipelines Which Carry Oil From Saudi Arabia to Bahrain Are Being Moved"]

[Text] Two pipelines which carry oil from Saudi Arabia to a refinery in Bahrain are scheduled to be relocated in the eastern area of al-Rifa' to make way for construction of a two-lane highway there.

The portion that will be relocated extends from the water reservoir to the al-'Awali-refinery road near the electric generating plant in al-Rifa'.

Work on relocating the two pipelines, numbers 1 and 2, each of which is 12 inches in diameter, has already begun. The cost of the operation will be divided among BAPCO and the Bahrain ministries of labor and electricity and water.

Work on this project is expected to be completed by the end of August. This means that the two pipelines will be closed one at a time, emptied and cleaned. They will then be cut to suitable lengths and transported north of pipeline number 3 which is 28 inches in diameter and has modern reinforcement.

The job of relocating the two pipelines will be carried out in accordance with an agreement reached by the company with the ministries of labor and electricity and water during joint consultations held last year. This relocation was the only alternative to demolishing a large number of buildings south of the current road.

A spokesman for the Bureau of Engineering said that the present time is most suitable for completing this job because of the reduced amounts of crude oil reaching the refinery. He added that measures acceptable to the Ministry of Housing relating to the pipelines' new locations are currently being completed.

Last October plugs were installed in the pipes to close them partially during their regular closing for inspection. These pipes were originally built at the end of World War II. Pipeline number 2 was installed about 10 years ago.

The job of relocating the pipes will be carried out by one of the local contracting companies under the supervision of the company's [BAPCO's] office of construction.

FIVE RESISTANCE LEADERS TELL THEIR STORIES

Paris LES NOUVELLES D'AFGHANISTAN in French No 10, Jul-Sep 82 pp 4-16

[Interviews with: Ziya Masud, 25 April, by E. G.; Abdul Haqq, by D. P. and B. D.; Habibollah, by A. M. and B. D.; Mansur Ahmadza'i, by D. P.; and Salim, by B. D.]

[Text] At age 24, Ahmad Ziyah Masud heads a "mobile group" of 27 men operating in Panjshir and its vicinity (Salang, Parwan, and so on). He returned to Afghanistan on 6 May.

[Question] Can you explain to us how the war in Panjshir began?

[Answer] It was during the time of Taraki in 1978. Twenty of us came from Pakistan with my brother Ahmad Chah. We made contact with the people. We did not know how they were going to react, but they were immediately behind us and we formed a group of 200 persons. We took control of two districts. When he saw that, the lieutenant governor of Rokha fled. We then set up the front line at the mouth of the Panjshir Valley near Salang and Darband. Our struggle was spontaneous, unorganized. We were in a defensive position and we suffered defeat during the time of Hafizollah Amin. We had to withdraw into the upper valley.

We then abandoned that method as too spontaneous and decided to recruit young volunteers to make full-time soldiers out of them. About 90 responded to our call. We then began guerrilla warfare that quickly bore fruit. The district heads then had to flee, followed by the lieutenant governor later. After several months of fighting, we gained control of Panjshir. That was when Babrak came to power (end of December 1980). We formed our commandos and set up our bases.

[Question] And now?

[Answer] We now have in our ranks 3,000 volunteers, only 700 of whom are armed. We cannot equip any more because of the lack of resources.

[Question] Of the initial group, how many are left?

[Answer] Of the original 20, there are still 7 or 8 of us alive.

[Question] What is your current task?

[Answer] We are trying to improve the organization of soldiers in regions near Panjshir. We have divided the region into seven zones: Panjshir, Jabal-us-saraj, Kapisa, Kohestan, Salang, Charikar and Chotal. We have also set up a "union of the interior" with the Harakat-e enqelab, the Hezb-e islami of Y. Khaled, the Hezb-e islami of Golboddin Hekmatyar, the Jamiat-e islami and Modjadeddi's party. This union exercises control over the entire region of Koh-e Safi and is headed on the civilian level by a general amir, Maolawi Chafiollah, of the Harakat-e enqelab.

[Question] Why does the Jamiat-e islami play a prime role in Panjshir?

[Answer] Because it is the best organized.

[Question] But is the Hezb-e islami not also very well organized?

[Answer] In Peshawar, yes, but not in the field. The Hezb-e islami in the region has never been able to withstand Soviet attacks.

[Question] It is said that the SAMA organization is also established in Parwan.

[Answer] There are two groups in two villages. They do not engage in any real fighting, but confine themselves to raids, taking the fares on buses, and so on. Their problem is that they have no rear base in case of a heavy attack. If they have to withdraw, they will have to get along with us.

[Question] Can you describe the organization of Panjshir?

[Answer] First of all, there is the military domain, where there are two kinds of groups: the mobile groups that carry out actions in the region, at Andarab (valley in northern Panjshir, on the other side of the Salang pass), Bagram, Sarai-e Khodja, for example, when it is necessary, and then there are the groups that defend the valley.

There is a finance committee in charge of collecting money. We charge a 5-percent tax on salaries for all Panjshir civil servants working in Kabul.

[Question] Do they willingly accept it?

[Answer] They pay, whether they like it or not. The noncommunists do so willingly. As for the communists; they also pay. They have to, even the high officials.

[Question] Even Destagir Panjshiri (minister in the Karmal government)?

[Answer] Even Destagir Panjshiri. One day, a high official from whom the Mujaheddin [freedom fighters] were demanding the tax asked him what he should do. "Do what I do," he said. "Pay it." At any rate, if they do not pay, we take it from their property.<sup>1</sup> But most of our resources come from the trucks whose loads we divert. That enables us to supply our bases with sugar,

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<sup>1</sup> This means that communist officials, formerly large landowning aristocrats, kept their property intact, escaping the so-called "agrarian reform."

rice and wheat, and so on. What is left over we resell, which in turn enables us to buy shoes or whatever we need.

We also have a training committee in charge of education, especially keeping the schools in operation, and of propaganda and information. On every military base, there is a member of that committee who is a political adviser to the base commander.

Finally, we have a judicial committee with two branches. One is responsible for investigation and information. It judges the political prisoners. The other handles the different regular disputes between the people. There is a court of justice headed by Judge Abdol Bassir, who was once a famous judge in Kabul, and who is aided by three assistants. All of Panjshir is under his jurisdiction.

[Question] And by whom was he named?

[Answer] Panjshir is headed by an Assembly of Elders, which gives its opinion, and by a Fighting Clergy Committee, which makes the decisions. It is that committee which appointed him with the consent of the population.

[Question] And what about the needs of the population?

[Answer] The standard of living of the people is extremely low, much lower than before. A large share of all trade has been interrupted. The crops are frequently destroyed by the Soviet helicopters. And yet, one cannot say that the people are starving to death. But their diet is monotonous: morning and night, bread and tea, *talkhan* (sweet made of dried mulberries, very rich in vitamins). Fortunately, there is fruit in the summer. The people are in very poor health. There was recently an epidemic of measles and 300 children died. There is also a great deal of rheumatism, tuberculosis is spreading, the people are nervous ailments.

[Question] What type of aid do you deem the most urgent?

[Answer] Military. Next would come medical aid, particularly in the field of general medicine. Finally, food.

[Question] And in the paramilitary field, what do you need?

[Answer] Walkie-talkies so that the groups can have some coordination or give warnings, mine detectors, bullet-proof vests. We could also use a good camera to send filmed evidence and reports.

[Question] What were the results of your stay in France?

[Answer] The response we received was positive and full of hope, but we received no firm promises. We hope that concrete aid will soon be given to us at last.<sup>2</sup>

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<sup>2</sup> Ziyah Masud had to leave empty-handed on 6 May to participate in the defense of Panjshir against an imminent Soviet offensive.

## Soviet Attack on Panjshir

Ahmad Ziyah wanted to return to Afghanistan rapidly because he had learned of preparations for another large-scale Soviet attack -- the sixth -- on his Panjshir Valley.

The offensive began on 17 May, waged by tanks supported by armored helicopters and Migs. "Western sources in Islamabad believe that the attack on the best organized bastion of the Afghan resistance failed" (LE MONDE, 27 May 1982). B. Rabbani, president of the Jamiat-e Islami, stated: "The Soviet-Afghan troops reportedly lost 700 men in the operations headed by the minister of defense, Maj Gen Abdul Qader. There were allegedly 300 persons killed among the population and members of the resistance during the bombardment. In addition, some of the Afghan soldiers fighting alongside the Soviet units joined the resistance, which is said to have destroyed 38 tanks and armored vehicles, 15 trucks and heavy vehicles, 3 mobile bridges, 13 helicopters and jets."

A spokesman for the Afghan Ministry of Defense claims that the resistance was "eliminated once and for all." The offensive was still continuing on 2 June. In Kabul, it was observed that "convoys including a total of about 100 tanks and armored cars had returned to the vicinity of the capital and that a high number of Soviet wounded men and bodies were flown to Moscow in recent days." (LE MONDE, 1 and 4 June)

At the beginning of July, Soviet soldiers had to withdraw from the valley. Only a few garrisons of Afghan soldiers were kept there by the government in Kabul in the hope of retaining some control over that strategic valley.

## Interview With Abdul Haqq

Abdul Haqq, 23, a Pachtun from the village of Surkh-rod near Djelalabad, is one of the lieutenants of Younos Khales, head of the one of the two Islamic parties, Hezb-e-Islami, that bears his name. He is now the military commander of Kabul Province. Abdul Haqq returned to Afghanistan on 6 May.

## My Background

I had to go to Pakistan in 1975, when I was only 16 years old. That was the time of the first uprisings in Nangarhar, my native province, and in Pandjsher. Already in my lycee in Kabul, I was an Islamic militant who organized protests against the clearly pro-Soviet orientation followed by Mohammad Daoud (brother-in-law of the king) after his coup d'etat of 17 July 1973.

I returned to Kabul a little later to participate in the four attempts at ousting Daoud made by the Islamic Movement (which had no name at the time). I was taken prisoner in October 1977 for my involvement and sentenced to death. They told me of my imminent execution four times.

At the beginning of October 1978, five months after the communist coup d'etat by Taraki on 27 April, I was freed by a bribe paid by one of my relatives.

I immediately returned to Pakistan and the new Islamic party, Hezb-e Islami. I had military responsibilities in Paktya, Nangarhar and Kabul. Now I am in charge of inspecting the mobile groups of soldiers in those three provinces.

At the beginning of Daoud's presidency, there was only one Islamic movement, founded by Maolawi Habib ar-Rahman ("guardian of the merciful God"), who was a professor of Muslim law at the Kabul School of Law. That movement was rebelling against the presence of communists in Daoud's administration (such as Maj Abdul Qader, commanding officer of the National Gendarmerie and future minister of National Defense at the beginning of Taraki's term) and against Soviet influence, mainly manifested during the first three years of Daoud's regime.

Already King Zaher Chah was giving too many advantages to the Russians and posts to the communists. But we did not fight him. During the last years of his reign, there was a great demonstration in April 1970, near the Pul-e Kheshti Mosque ("bridge of bricks") in Kabul to protest the communists' celebration of the 100th anniversary of Lenin's birth. It was the tanks of Sardar Wali (Gen Abdul Wali, son-in-law of the king, chief of staff of the army until 1973) that resorted to bloodshed to put down that peaceful demonstration. Many people died that day; there was blood everywhere. At the Florence Conference on 27 March, Sardar tried to present himself as a good Muslim, but he was responsible for that massacre of Muslims and we shall never forget it.

In 1975, after the first revolts of Surkh-rod and Pandjsher, Maolawi Habib ar-Rahman was thrown into prison and murdered. In 1977, Borhanuddin Rabbani left the Islamic movement to form his own party, the Jamiat-e Islami-e Afghanistan, the Islamic Society of Afghanistan. Gulbuddin Hekmatiar founded the Hezb-e Islami with my leader, Younos Khaless.

In 1978, after the communist coup, Gulbuddin Hekmatiar joined with Maolawi Mohammed Nabi Mohammadi, founder of the Harakat-e Enqelab Islami (Revolutionary Islamic Movement). Younos Khaless did not follow him and kept our Islamic Party name, Hezb-e Islami. Later, Hekmatiar broke with Nabi and took back the old name, which is the reason why there are now two Hezb-e Islami.

Maolawi Younos Khaless is from Khugiani, near Jelalabad. He worked in Saudi Arabia and then served as professor at the University of Kabul and editor of a newspaper in the capital. He lives in Pakistan but goes to Afghanistan frequently, to Konar, Paktia and Nangarhar.

Our Islamic Party is now powerful, especially in the south and southeast of Afghanistan, in Nangarhar, Paktia, Kandahar, Kabul and its province, but also in the northern provinces: Balkh (Mazar-e Sharif), Kunduz and Baghlan.

The six parties established in Peshawar are actually close to one another, without great ideological differences. The organization is different, but the purpose is the same: to get the Russians out. People observe the organization of the parties and join the one that suits them.

The Islamic Party of Khaless is not close to Khomeyni and we do not have any offices in Iran. On the other hand, Hekmatiar was very close to Khomeyni as

recently as a year ago, but is now moving away. We heard that Afghan Mujaheddin had been taken prisoner in Iran and turned over to the Russians. Unfortunately, there has been some fighting between Gulbuddin's Islamic Party and our own. There have sometimes been difficulties between the different parties. That will be gradually settled because Hekmatiar is part of the new Union of Parties.

Our two Hezb-e Islami receive money from Saudi Arabia.

If the Afghans do not accept aid from the Arabs, from whom can they receive it? We would accept any help enabling us to fight the Russians, but on the condition that there be no strings attached. We would not even accept aid from Saudi Arabia if there were conditions.

#### Civilian Organization

The Mujaheddin need a better organization. They do not yet have anything resembling a government, ever since the country has been torn apart. They must organize the country and that need will become more and more urgent if the war goes on for years.

But Afghanistan has been considerably destroyed. The Russians are destroying all of Afghanistan, region after region. The civilian organization we are setting up constantly has to be begun again because of the constant bombing.

The Russians manage to find out what we are doing. Their secret police are very powerful, meaning they can bomb everything we build. Even in a village of 1,000 inhabitants in a liberated region, they can find an informer whom they pay and who tells them what is going on.

If we set up a hospital, the planes destroy it very quickly and we have to begin all over again. We do have small clinics, however, but their action is limited by the lack of medicine.

We have also set up schools for the children because all children want to learn how to write their names, to sign. They are our future soldiers and they want to be able to read the numbers on the rifles themselves.

We cannot help the peasants with their agriculture or help them organize, even though we need them and their production. We have no wheat to distribute to the population. Our soldiers are not paid; they ask permission to go take care of their fields. Our soldiers cultivate their land themselves.

But the Russians have burned many crops with their helicopters. They attack threshing floors with flamethrowers. They have bombed tractors and killed livestock. In the south, very few animals are left. They have been shelled or requisitioned.

It is now getting very difficult to cultivate the fields and malnutrition is more and more common. I have not seen any real famine myself, but it could happen.

Our people are sometimes lucky enough to seize Russian supply trucks and we can then distribute wheat.

We no longer eat any meat at all. There are still a few Kuchi nomads with herds in very remote regions.

#### Local Assemblies

The parties are more concerned with conducting military operations. Civil organization is the work of the people. There is a system of organization that goes back hundreds of years, that of the jirga, the local assemblies, jirga-e mahal. The preceding governments had done away with these assemblies or managed to reduce their role considerably. Now that ancient democratic organization, in which everyone participates, is being reborn. There are even local assemblies in regions where that system did not exist before.

These jirga include local villagers as well as representatives of the different parties. They usually operate very smoothly, without any difficulty, and to the satisfaction of everyone.

#### Women

For the time being in this war, the women can only help the soldiers and maintain the home, take care of the house and the children. The women help but cannot fight directly.

War is not a game, a diversion. We would not wish it on anyone, on any woman, to be forced to wage the war we are fighting against the foreign invader.

One cannot foresee the future role of women in liberated Afghanistan. One cannot compare the role of the woman in Afghanistan with that played in advanced industrialized countries. In our country, there are already not enough jobs for the men, many of whom wander around unable to find work. Given the stage of our development, it would not be possible for many Afghan women to find paying work ensuring their independence.

#### Refugees

We do not want the villagers to flee to Pakistan. The parties are asking them to stay, but they often have no choice. When their homes and crops have been bombed, they can scarcely do anything else.

Nangarhar Province is already almost empty. Shamali (north of Kabul), Paktia, the region in southern Ghazni and Konar are already half empty. On the other hand, there are few refugees from the north. They would be forced to make an extremely difficult trip of at least 20 days with their children.

#### Military Organization

There is no military service in the regions that we control. They are volunteers who come to us and they remain as long as they want. They are men or

young people who enroll in the party of their choice. The new recruits are integrated into a group of fighters already trained and learn as they go. Each person is used in keeping with his abilities and capabilities.

Some groups are organized with 10 or 20 soldiers who are ready at all times and who remain in the mountains. There are also many peasants who live at home and who can make themselves available for sporadic attacks.

The military groups choose their own leaders: one leader for 5 soldiers, more than one for larger groups of 20, 100 or 1,000 soldiers. Appointments do not come from above; it is the men who choose their leaders. An officer can make himself well enough liked and respected to move up in the ranks until he becomes the general commanding officer of a region, as in the case of Jalal-ud-din, commander in chief of Paktia.

To plan the important attacks, resistance forces in neighboring areas meet and plan together. And when we learn of fighting somewhere, we try to send reinforcements. But there are practically no means of coordination from one region to another and reinforcements often arrive too late. If need be, all that we can do is to send a messenger with a hand-written letter asking for aid from another region.

#### Inhuman War Waged by Soviets

The Soviets are attacking the regions of Afghanistan one after the other. Most of the regions have been bombed several times. Many villages have been destroyed repeatedly. During the bombings, it is mainly the civilian, non-fighting, population that is hit.

The Russians bomb the cities, they bomb the bazaars, the market places, they bomb the villages. They bombed the cities of Qandahar, Herat, the Bala Hissar district in Kabul, Shiwaki, Kunduz and Baghlan by helicopter. In Paghman, the summer resort near Kabul, not five houses are left out of 100.

These bombings makes our fighters' life very difficult because they need houses in which to live and hide. Outside of the houses, there is nothing but desert. The Mujaheddin hide by day in the houses and attack by night.

The Russians can scarcely move about in the winter with their tanks. We have a few Soviet SAM antiaircraft batteries and heavy Dacha machine guns to use against the tanks and helicopters. But there is no possible comparison of the Russians' weapons with what we have.

When we set up an ambush on the Salang road to try to cut off their supply road, we ruin part of the road, but it is immediately repaired by the Russians. Sometimes we manage to trade hashish with their soldiers for weapons which they steal from their quarters.

Recently, during one of the battles that resumed as soon as spring came, our forces managed to take -- I just learned yesterday by phone -- 4 Soviet soldiers and officers and 67 Parchami and government soldiers. We also took

50 tanks and other vehicles. Jalal-ud-din organized a celebration in Alajerga in Afghanistan (Zabul Province) to show them to Western newsmen (see LE MONDE, 2-3 May 1982).

The Russians carry out sweeps in the city or the country. They surround a district or village with their tanks and bring out all the men they find. Those they suspect of being resisters are killed. The others are enrolled in the army and are put in front of the Russian soldiers during the attacks. We try to hit only the Russians, but we are told that they put on Afghan clothing to trick us. In battle, it is not easy to distinguish who is Russian and who is Afghan.

#### Chemical Warfare

Yes, we have heard of people burned by bombs or hit by gas. They are the bomb-e ateshi, phosphorus bombs, which make the skin all over the body peel off. This is not yet the general plan of the Russians, but these banned weapons have undeniably been used locally.

#### Trip to the West

We meet many people who want to tell us what we should do. We accept all aid, but we do not want anyone to impose the path to follow on us or to give us advice about modifying the organization of our Afghanistan.

Our idea is to respect Islam. We are not asking the socialists to become Muslims, and they do not ask us to give up Islam for socialism. Otherwise, why did we not follow Taraki? We do not like the communists. They have raped our daughters and bombed our homes. We do not want them and we will exterminate them.

Let people help us, but against the Russians; not to change our way of life.

At the present time, no one in Afghanistan can say he is on the left. Taraki, Amin and then the Russians, by virtue of the atrocities they committed, have discredited the ideas of the left once and for all, for they have led to nothing but the massacre of our people and to foreign occupation.

We hope that people will help us in our fight against them. But we do not want our hands to be tied, to have anything imposed on us.

We have our traditions and we do not want to change them. We want to restore them in all their purity. We want no more usury, debts, loans with interest.

But everywhere there are inequalities, farmers and landowners. We cannot promise to give the same thing to everyone. No society in the world is egalitarian, especially the society of the USSR.

And let them not ask us to take back the old king. Zaher Chah did nothing for us in the 40 years he reigned. We do not want any more of him. He thought of nothing but chasing women and hunting. He is the one who brought the

Soviets into Afghanistan. He was the one who gave them the Polytechnical Institute in Kabul. During the 40 years he ruled, Afghanistan fell apart. No one can forget that the king had the Muslims fired upon, that he did nothing but bring in the Russians and the communists.

We are tired of the governments in the West and the East. We have no model, even in the other Islamic countries, which are far from respecting the rule of Islam. We want to create our own government, regain our own way of life. We want to carry out our own program without any interference.

#### Interview With Habibollah

Habibollah, 25, is a Hazara from Daulatyar, east of Tchaghtcharan, in central Afghanistan. He is one of the regional commanders of the Shoura-ye Enqelabi-e Ettfaq-e Eslami Afghanistan, the Revolutionary Council of Islamic Union of Afghanistan.

#### History of Liberation of Hazaradjat

Hazaradjat won its freedom in two years, beginning in 1978. In the beginning, armed with very old rifles, we attacked the subprefectures of Darkundi, Lal and Sar-Jangal, which enabled us to capture more modern weapons and munitions, some 250 Kalachnikov submachine guns and 11-round rifles. But we did not find any antitank weapons. That success gave us confidence in our strength, even if during those two years, we had to suffer many losses. Between 3,000 and 5,000 members of the resistance were killed, compared with 9,000 to 10,000 on the side of the Afghan-Soviet forces.

Now all the rural areas in Hazaradjat are liberated, with 36 subprefectures and cantons (Uluswali and Alaqadari). The only two cities not controlled by the resistance are Tchaghtcharan and Bamyan, where the Soviet garrisons that are set up near the airports house around 10,000 to 12,000 Soviet soldiers, without counting the Afghan troops. Since we hold all the roads and rural areas, those two garrisons have to be supplied by helicopter. Three or four helicopters land at each of those bases every day, coming from Kabul.

We now must have about 35,000 soldiers in arms. We have as yet launched only a few attacks on the edge of Hazaradjat. First of all, we must be able to defend our territory and guard access ways. But this in no way means that we do not care about what happens in neighboring regions.

We receive practically no foreign aid for the 4 million Hazaras who belong to the Shoura. We are always asked about our alleged relations with Iran. I am very disappointed that everyone finds a link between Khomeyni and Hazaradjat. We reject any relations other than religious with Iran. In the West, I do not believe it is the Pope who decides the policies of governments. Our liberation will be achieved by ourselves. We do not want foreign powers to intervene in our affairs.

Our only enemy is the Soviets. We are fighting for the entire world and not only for the freedom of our province. We would accept aid from any country,

including that of Brezhnev, if it were given without conditions. We are now practically strangled by the hands of the Russians and if we manage to free ourselves from them, it will not be for the sake of falling under the yoke of someone else, whoever it might be.

#### Role of Women

We were also asked at the Florence Conference about the role of women in the resistance. Women are just as anxious as the men to participate in the liberation of their country. If a man is not involved in the struggle, his wife will refuse to sleep with him in order to force him to go to war. But we are already short of arms for our young soldiers, the most seasoned and the best trained. If someone gets weapons for our women, we will give them to them so that they may also participate directly in the fighting in order to liberate their country.

#### Administration of Hazaradjat

The province is administered by a Parliament, *madjlis*, which includes representatives of all the 36 subprefectures and cantons of Hazaradjat and which is headed by Sayed Behecti. Leadership of the revolutionary council, the Shoura, for Hazaradjat is collective and not based on the authority of a single person. The buildings of Parliament in Waras were razed by Soviet Mig bombings at the end of November 1981

Each of the 36 districts (*mantiga*) of Hazaradjat designates from one to three representatives to the Central Parliament, based on the size of its population. Parliament is made up of 85 to 90 persons and meets at least once a week (more often if need be).

The representatives, all of whom serve without pay, can be recalled. If they do not work for their district, those who named them write to Parliament to ask that they be replaced.

Every inhabitant has his place in the struggle and can be named as a representative or official, whatever his status or social level. The old landowners and village chiefs, the educated, former officials who have returned to their villages and former teachers can all be elected, along with farmers, based on their dedication, character and competence. But the time of the imposters, the dictatorship and submission is past. Now it is popularity and effectiveness that count the most.

The province is divided into eight military commands or military regions administered by officials -- who may also be recalled -- named by the Assembly upon the proposal of the districts. In each of these military regions, there are four commissions: military, judiciary, financial (also responsible for agriculture and supplies) and education-culture-information.

#### Military Administration

The eight military regions are headed by a commanding officer, whose activities are coordinated by Gen Sayed Hassan. In each region, there is a Military

Defense Front, the *jabha*. Men who have reached the age of 22 must do a year of compulsory military service. That service begins with a period of one month of training (sports, the use of weapons, under the direction of former officers in the government army, *sahab mensep*), following which they are sent to the front set up in their region for 11 months. These fronts are set up at important spots. The mission is to guard strategic passages in order to stop Soviet tank attacks and sometimes stage an attack on military convoys on the edge of Hazaradjat.

The soldiers live in camps pitched in the mountains and continue their military training, but there is also political instruction (why did the Russians come and how can they be driven out?).

When they leave for the front, the military commission in their region gives them 50 kilograms of flour with which to make their own bread. Subsequently, the families must feed their son at the front, to the extent possible. The financial commission also provides part of the supplies, thanks to contributions of food and money given by the people for the soldiers.

As the traditional Islamic tax recommended by the Prophet himself, that financial commission collects one-tenth of the income of every family. And naturally, the people no longer pay their taxes to the government in Kabul.

The closest villages take it upon themselves to wash the soldiers' clothes. It is considered a normal thing, a light burden, and everyone would like to be able to do more.

We do not have antiaircraft weapons. In the beginning, the Soviets wanted to occupy Afghanistan. They suffered too many losses and changed tactics. Since the middle of 1981, they have resorted to systematic bombing of villages held by the resistance, using armored helicopters and Migs.

#### Education

A very high percentage of the schools in Hazaradjat was destroyed during the war and very few have been rebuilt. We know that we need to raise the level of instruction, but we have no means of operating many elementary schools. We have no buildings, chairs or clothing for school children, no pencils, ink, paper or chalk. We do not have the money to pay teachers who return to their villages and who have to practice agriculture to survive.

If we received aid, it would be a priority action to reopen the schools. It would be the first project that we would launch, even before feeding the people.

For the young children, it is not yet too serious. The education commission has tried to bring the children together in the mosques to give them a summary education, but it is for the adolescents that the situation is more serious. All those years of high school that they have missed can never be made up. Those teenagers have to help their parents in farming because otherwise, the financial commission would have to feed them.

Consequently, the main activity of the education commission is to provide information for the people about the war and the occupation, to maintain national sentiment, to emphasize the need to get rid of the occupier. It places information on the village walls in the form of tracts. The people gather together and ask those who know how to read to explain what is written.

#### Food Situation

The situation of agriculture has always been precarious in our country because of the lack of arable land. The war only augments those difficulties: the bombing of tillable land, helicopter bombings of the harvest on the threshing floors (this happened very often in 1980 and 1981), the total lack of insecticides.

The scarcity of food is desperate. For 1982, the risk of starvation is alarming. The worst could happen if food is not given to us. We do not have seed or insecticides. Many milking animals were killed by the bombings, which means that the people have no more harness animals.

In 1981, there was a critical lack of food. Fortunately, wheat and other products came from Kabul, but underground, because the means of communication and normal roads are cut off by the Soviets between Kabul and Hazaradjat. One *ser* (8 kilograms) of wheat costing 100 afghanis in Kabul costs 250 in Jaghori and 300 more in the interior.

The action of the financial and economic commission has consisted for 3 years in redistributing the wheat surplus of the more fortunate areas to the poorer zones. Mutual aid in the fields or the sharing of milking livestock in a village are long established traditions. When one owner has a wheat surplus, he turns it over to the financial commission, which allocates it to the poorest people. He gives what he wants to, without any regulation (in addition to the Islamic tax of one-tenth collected by the financial commission). This is done a great deal throughout Hazaradjat. I cannot hold on to an abundance of wheat when others are starving. That is our Islamic belief.

Sharecropping is also practiced. A man without land may propose his services to a person with land but not enough help to work it. It is an individual arrangement. The worker who has but his labor to offer receives a quarter of the crop and the owner, who provides the land (here we do not lack water), the seed, the teams and milking animals receives three-fourths of the harvest. It is the so-called *chahar-o yek* (one-fourth) system.

#### How To Help Hazaradjat?

Our parliament, the Shoura-e Ettelaq, has representatives in Peshawar and Quetta who can send aid by truck. But it is easier to give us money in the interior than to ship food from Pakistan. We can have food bought in Kabul (or Herat for my region of Chaghcharan) and have it shipped to Hazaradjat.

Buying wheat in Kabul does not risk harming other regions by making that wheat scarce. In the large cities, wheat and many other products such as

sugar, powdered milk and oil come from the Soviet Union or from Hungary, Bulgaria and Czechoslovakia. The Russians are now forced to bring supplies into Afghanistan so that life continues to be possible and so discontent does not lead to more explosions of rebellion. They are forced to supply the cities they control with food.

But they do not give that wheat away free in Afghanistan. They are well paid for it by taking the mines and the gas, that gas which the West, the French buy. The Russians take everything that Afghanistan has and sell everything in Europe. The West supplies the Russians with the money to enable them to fight the Afghans.

#### Health Situation

The absence of medicines is nearly total. There is very little medical personnel, although a few former medical students have returned home. Those few doctors go to the villages with medicine furnished by the French, but it is a drop in the bucket. It is not enough.

French doctors have come to help us. We hope that that presence will last despite the difficulties. The clinics in Waras (at the end of November), Turkmen, Yakaolang, Behsoud and Jaghori (5 November) have all been bombed and destroyed by Soviet helicopters this winter. It is systematic. Nearly all the clinics set up by the French in the different regions of Afghanistan have been bombed and destroyed. On 14 March 1982, the new improvised clinic which Doctors Without Borders had put back together in Jaghori was bombed once again.

The French doctors now want to set up mobile centers in order not to be attacked by the Soviets.

The health situation has always been very bad in Hazaradjat. The war also makes things more difficult here and we have many diseases: measles, the flu, whooping cough, throat problems, tuberculosis, malaria, intestinal diseases. People are malnourished and lack vitamins, which worsens diseases.

#### Necessary Unity

Afghanistan's only enemy is the Russians. We can only have an independent Afghanistan if we are united. Some want to divide us to satisfy their own interests. We can hope that one day they will realize that nothing is possible without unity. All those who live in Afghanistan are Afghans and brothers.

We cannot live without each other, like fish and the water: We cannot be separated. Our hope is that all nationalities of Afghanistan will achieve an understanding in a friendly atmosphere and with equal rights. Let there no longer be any supremacy of one ethnic group over another, as there has been in the past.

The whole world must now recognize our resistance as truly representing the aspirations of the people. The propaganda that presents us as disunited and

that emphasizes ethnic and religious differences must cease, while for its part, the Afghan resistance must be even more united and give up its former dissension. The unity we have achieved in our region is an example. In a village near Ghazni, representatives of all the parties from all over Hazarajat sit together.

When I return, I have a big job ahead of me in reporting on this long mission we have completed here in France, Italy, Switzerland and Belgium. I hope that at home, they will find that I have done a good job of defending our region!

#### Interview With Mansur Ahmadza'i

Mansur Ahmadza'i, 32, is a Pachtoun from the Logar Valley south of Kabul. He returned to his province after the Soviet invasion and now heads a combat group under the Mahaz-e melli-e islami-e Afghanistan, the Islamic National Front. He leads ambushes against Soviet convoys of troop transports and armored vehicles.

#### History of Takeover of Logar by Resistance

Only 20 days after their invasion of Afghanistan, in mid January 1980, the Soviets arrived in my province of Logar. They took over the schools, which they turned into centers of socialist instruction where they summoned the people to explain the new communist books they had brought.

Those who had secretly favored the Soviets were then exposed. Our people do not like them, saying that they are not Muslims, but servants of the Russians. The first Russian and Afghan soldiers to come to Logar were too afraid to stay the night and left for the capital, 50 kilometers away, by the end of the afternoon.

In 1979 (1358, according to the Persian calendar), even before the invasion, during the time of Taraki, the members of the resistance had set up a camp, but the invasion took place in the winter (December 1979), at a time when many members were still in the warmer regions for the winter.

They could not regain control of their valley until the spring because the Soviets, who have shelter, have the advantage during cold weather. Logar is covered with snow in the winter.

In the spring of 1980, the resisters gathered together in the mountains east of the river and cut off the Kabul-Gardez road. One of the reasons for their success was that they had learned to set up mobile bases -- two or three -- which enabled them to abandon their purely defensive position to adopt a mobile tactic of harassment by small groups of two or three "partisans." I prefer this tactic of very small combat groups rather than guerrilla groups of 10 or 20 men.

In our valley, the Soviets now have only one military base left at Pul-e Alam, near the provincial capital. They have permanent buildings, built during the time of Daoud between 1973 and 1978. They and the few Afghan communists that

live with them do not venture out of their base. They have houses, but their families are not with them. Every day, the base is supplied by two or three helicopters that come from the capital.

The Soviets can no longer use the main road from Logar, which is under the control of Mujaheddin who prevent the passage of any government representatives. At the beginning of 1980, when the Russians could still circulate on the road in convoys, they lost many weapons and a great deal of equipment that was seized by the resistance in surprise attacks.

Three or four times since, the Russians have tried to reopen the road, but without success. This causes them considerable difficulties in supplying Paktia and their bases in Gardez and Khost (Matun), which are therefore also totally supplied by helicopter, like most Soviet bases in Afghanistan.

#### Actions of Soviets

Aside from the propaganda tracts dropped by helicopter, the presence of the Soviets has only been manifested by repression.

As soon as they arrived, they took control of the school buildings in order to set up their headquarters because the schools, built long ago or under Daoud, were permanent buildings with thick stone walls. But when the villages where the schools were located were gradually taken back by the resistance, the Russians successively destroyed all the schools. Nothing is left of their stay.

Likewise, they destroyed the Konjak clinic.

Several times, the Soviets have used toxic gases in Logar. Their advance troops are often equipped with gas masks, of which I have brought a sample. During one engagement in April 1981, the wind blew the gas their helicopters had dropped on the resistance back toward the Soviet soldiers. The gas blisters the skin, which cracks and peels. Five of our soldiers died that day as a result.

At harvest time, the helicopters very often attack the threshing floors where the wheat is piled and burn it with "red grenades." This practice is hitting Logar hard and causing a serious food crisis. The Soviets have also destroyed the bazaar shops, the commercial district of Baraki-Ranjan, the provincial capital, by tank raids.

The Soviets also drop small antipersonnel mines by helicopter. These mines are in the form of watches, ballpoint pens or even books. They have caused enormous damage among the civilian population and livestock and many women and children have lost feet or hands. The children have now learned not to touch such objects, but to explode them by throwing stones at them.

The Russians involve the civilian population in the fighting. They once rounded up the young children and old people in a village to put them on their tanks and troop transports. The convoy started out and loudspeakers on the

tanks warned resisters: "If you fire at us, we are going to kill all the villagers we have with us!"

Sometimes they dress up as Afghans in order to trick us. In fighting at Saidabad, on the tarred road between Kabul and Ghazni, Soviets came in a convoy dressed in Afghan clothing, but there were only a few Khalqi and Parchami communists among them. Once, five Afghan soldiers tried to desert by fleeing from a convoy to join us. They were all machine gunned.

#### Fighting

The resistance lays ambushes to attack the convoys. To destroy the tanks, they have only the Molotov cocktails which they make themselves: a Fanta bottle filled with gasoline, acid and soap. The tanks are more vulnerable when they are from 20 to 500 meters from us on rugged terrain. We also have a few rockets and above all, we have very well-trained soldiers, former government soldiers who could use more sophisticated weapons if they could find them. But the Soviets always try to destroy the weapons they have to leave on the battlefield.

During a battle once, the Russians were surrounded near the Ainak copper mine in Logar, whose buildings they use to store war materiel. They tried to escape by heading for the mine, but many were killed in the fighting.

This winter, Mujaheddin shot down a helicopter by hitting it in the forward portion with a Kalachnikov machine gun as it was about to turn around. The pilot was wounded. We do not kill the Soviets we capture; we hold them prisoner.

#### Sweeps

Kabul is actually more dangerous than Logar because the Soviets frequently make sweeps in the cities, going right into the homes, to take men of almost every age, in the hope of building up the government army, which has been riddled by desertions. Furthermore, the people of Logar, the Logaris, are not generally incorporated into the army because of their exceptionally high rate of desertion. The Logaris have a long tradition of autonomy and a well-established reputation for bravery and courage in war.

#### Agriculture

The Logaris do everything possible to organize and adapt to the very difficult conditions created by the war.

Farming continues despite the fighting. And yet, there is famine among the population because of the bombing of crops by Soviet helicopters. But no one goes without food because the villagers share whatever wheat is available. The old landowners have canceled the debts which the peasants owed them.

We are trying to keep the people in our valley and prevent people from fleeing to Peshawar and Pakistan, where only very few from our region are found in the

camps. But when their living conditions are too difficult, as when their homes are bombed, the people flee to Pakistan. We do not like all those Afghans who dream of nothing but emigrating to America.

In order to be able to survive, we need outside aid: antiaircraft weapons, naturally, and motorcycles, but also food (all food products permitted by Islam), clothing (shoes, heavy trousers), medicines. The Peshawar office of my party, the Mahaz-e Melli, can receive all gifts and get them to us. We would distribute such aid to needy persons in our region.

The nomadic herders who traditionally cross Logar every year to go to summer grazing areas can no longer come and must generally remain in Pakistan. These Kuchis are excellent warriors and are very courageous.

#### Civil Organization

In Logar, two main parties are represented: the Harakat-e Enqelab-e Islami, the Revolutionary Islamic Movement of Mohammed Nabi Mohammedi, and the National Islamic Front, Mahaz-e Melli-ye Islami-ye Afghanistan, of Sayed Ahmad Gailani.

The province is administered on all levels: administrative, economic and judicial, by the jirga, the traditional assemblies. All men in each region participate in them, along with the mullahs, the priests in the mosques, the peasants, judges, landowners and young people who have received a modern education.

For the time being, there is no system for collecting taxes and the people thus pay none.

The jirga hands down justice and settles conflicts. If a violent dispute nevertheless occurs between two or more villagers for personal or family reasons or over the ownership of land or water, the jirga punishes the guilty parties. Such conflicts are to be settled peacefully, especially as long as the Soviet occupation lasts.

#### Schools

Since the Soviets have destroyed the school buildings, the children now go to the mosques. Religious subjects are taught to them by the mullahs, while courses on other subjects are given by the former teachers.

#### Women

Because of the war, there are no longer any festivals or great celebrations. Marriages are now performed discreetly.

The people have not accepted the reforms imposed by force by the Soviets, such as the abolition of the dowry paid to the father of the bride. But the holy war of liberation has caused them to think. It has brought their customs into question: Dowries have been reduced and the great marriage ceremonies that cost so much have now disappeared.

The women do not become armed soldiers because there are not even enough weapons for the men.

But the women of Logar know how to use weapons and can also fight when necessary, as they demonstrated during the three wars against the English, which we won, partly thanks to them.

#### Interview With Salim

Salim, 26, is a Tadjik. Formerly a lieutenant in the government army, he deserted in 1980 to organize an underground group that engages in urban guerrilla actions against the occupier in Kabul. The group is part of the National United Front.

#### Group of the Free Mujaheddin

I belong to an underground military action organization, the Group of the Free Mujaheddin, Group-e mojaheddin-e azad, founded in 1980 after the Soviet invasion.

This small organization is mainly made up of former army officers moved by democratic and nationalist feelings. We are divided into four sections of five underground fighters each and we are helped by about 35 sympathizers. In all, we number 50 or 60. Our sympathizers are generally officers still in the government army who render us many services, supplying us with weapons and information.

Our organization is part of the National United Front, jabha-ye motahed-e melli-e Afghanistan, which includes the SAMA (Sazman-e azadibakhch-e mardom-e Afghanistan, Afghan People's Liberation Organization), founded by Masjid Kalakani in January 1979, another movement not known in the West, and our organization. We also cooperate with other resistance groups in Hazaradjat and Nuristan.

The National United Front is a party with little money and few weapons that receives no aid but that develops original reflection on a progressive future for Afghanistan, both democratic and Islamic. It will be difficult because the communists have taken over those words: freedom and democracy, and have eliminated their meaning. By virtue of their exactions, they have made the notions odious.

#### Actions

We wage two types of action: a campaign of political explanations in Kabul and military action.

We are gathering money for our actions and we carry out attacks on the Russians and Afghan government militiamen.

Thanks to the information we receive, we discover the bloodiest militiamen or officers. We study their habits and observe them for a month or two. Then we

attack them when our plan is perfectly worked out, which means that we suffer no casualties.

We also stage operations to obtain the money and materiel we need. We spy on places where equipment and weapons are stored, where their safes are closely guarded. We draw up a diagram and at the right time, never at night, but early in the morning or late in the afternoon, we go in. We seize the equipment, which we haul away in official automobiles that we steal or in taxis and trucks. When it arrives in a safe place, we send the vehicles to another district of Kabul.

We force open the safes and we have been able to obtain master keys.

All our attacks are perfectly planned and take place in broad daylight because of the curfew. In this way, we get everything we need. Last year, we seized 3 million rupees during the three months of spring 1981 (1 rupee or 1 afghani, the local currency, is worth about 10 centimes).

This year, all our operations have been more difficult to carry out. The militiamen and the Russians have learned to be careful and their organization is better. They now put their money in the bank. There are many Soviets in the streets watching traffic at the crossroads and there are mobile patrols. They arrest people and are no longer content to see their identity cards. They telephone their jobs to see whether so-and-so is really employed where he says he is.

This year, we have nevertheless been able to carry off raids about every three months bringing in about a million afghanis each time. We need a great deal of money. Our expenses are about 1.5 lak a month (about 15,000 francs; a lak represents 100,000 afghanis). We need gas and uniforms to use in our attacks. We have to rent houses, two or three permanently. We help the families of the sympathizers of our organization who are killed or imprisoned: some 20 families to each of which we give 3,000 afghanis a month.

#### Inflation

Everything has gone up in Kabul since the Soviet invasion. To rent a house costs 10,000 afghanis a month, compared with 2,000 before 1978.

One ser (7 kilograms) of wheat costs 100 afghanis compared with 50 to 60 4 years ago; wheat flour from 110 to 120 afghanis a ser. One ser of good quality rice costs 350 afghanis compared with 150 previously. One kilogram of mutton costs 120 afghanis compared with 50 before the coup d'etat. Charcoal was 16 to 20 afghanis before; it is now 150. Wood cost 32 afghanis a ser before; now there is none at 80 afghanis because it comes from Paktia and Hazaradjat and the roads are cut off. One ser of onions costs 65 to 70 afghanis, compared with 25 before.

Everything produced in Afghanistan has become very scarce and more expensive. Wheat and sugar come from the USSR.

## Necessary Union

We speak with the inhabitants of Kabul and with the members of the different parties in order to make them understand the need to build a common resistance front, without any preconceived ideology.

All groups, whether large or small, should unite to form a common union in Afghanistan that would name representatives abroad. We all share the desire for our country's independence. The main parties are represented all around Kabul: the Harakat-e engalab-e islami (Revolutionary Islamic Movement) of Mohammed Nabi Mohammedi, the Mahaz-e melli-ye islami (the National Islamic Front of Afghanistan) of Gailani, the National Liberation Front of Afghanistan, Jabha-ye nejat-e melli, of Mojadeddi, the Islamic Society of Afghanistan, Jamiat-e islami-e Afghanistan of Rabbani, and the SAMA. Hekmatiar's Hezb-e islami is no longer very strong.

On the regional level, inside Afghanistan, unity is not difficult. The different resistance groups often meet to coordinate their action, as in the case of the region of Ghazni, where six parties are represented. It is in Peshawar, in Pakistan, that things grow complicated, because every party jealously tries to preserve its autonomy with respect to the others.

The ideal thing would be to have a Central Council, a Shura-e markazi, founded in the interior, including a representative of all parties and representatives of all the regions, including soldiers belonging to no party. Government committees would be named by the council, with responsibilities in the military (nezami), diplomatic (siyasi), economic (eqtesadi) and cultural (farhangi) fields.

The union will finally come about, perhaps in three or four years.

## Past Rivalries Between Parties

The people of Kabul see who is effective and think about the conduct of the parties. Some are democratic and Muslim and do not want to impose their opinions by force. Others are intolerant and fight more to ensure their supremacy than to drive out the Russians and would like to monopolize future power for themselves.

In the beginning, everyone backed the Islamic Party going on faith in its name alone and without knowing anything about it. Now, people have understood that the party of G. Hekmatiar was guilty of exactions and murders and terrorized the population. They asked the villagers for gifts, going into their homes and saying to them: "What have you brought me?" They end up by forcing the people to flee to Kabul to get away from them. That is what happened in Khair-Khane, near Kabul, in the region of Paghman, and also in Konar, Laghman, Shamali (Charikar) and Kohdaman. In Laghman and Konar, the villagers end up hoping for the arrival of the Russians.

What is even more serious is that in Shamali, Gulbuddin's Hezb had a military confrontation with the soldiers from other parties, trying to ensure its

supremacy, as in Koh-e Safi and Dehsabz (over the airport). In Laghman, there was fighting between the Hezb-e islami and the Jamiat.

Except in Shamali, nearly everywhere the people have now managed to drive out Gulbuddin's Hezb.

In Laghman, from 600 to 700 Mujaheddin were killed in 1981 in the Hezb's attacks on other groups. It destroyed 22 villages in the region. There were confrontations and also destruction in Paghman, Ghorband and Tagao. Everywhere the villagers have had to flee elsewhere. Hekmatiar wants only one party to be left: his own, and he attacks all those who are not in agreement with him. Khomeyni is better than those people. Hezb soldiers also take advantage of their weapons to satisfy old personal vengeance.

Moreover, it is suspicious that the government in Kabul should make so much publicity for Gulbuddin Hekmatiar. One sees only him in the newspapers. One hears only about him on the radio concerning the resistance. His photo is everywhere, even posted on the walls, on the pretext of denouncing him. One would say that the government is trying to get citydwellers used to him and give him a monopoly over the resistance. We have to wonder whether Hekmatiar is not one element of an alternate plan of the Russians or being kept in reserve in case they should finally leave Afghanistan?

The Jamiat-e islami's conduct is totally proper at the present time. But they do not accept anyone who does not share their ideas. They believe they are the only good Muslims. If they had power, they would expose themselves and form an intolerant Islamic government. They have already expelled the leftist group Settem-e melli from Panjshir.

#### Recruitment of Government Militiamen

This policy of intolerance forces many Afghans to go over to the government's side.

By suspecting all low-level civil servants of being favorable to the Soviets, the Hezb forces them to cooperate with the government in order to ensure their subsistence and their security. By systematically suspecting all the relatives of communist militiamen, by rejecting them or threatening them, no choice is left for them but to come to Kabul and become militiamen themselves.

Hekmatiar's Hezb-e islami kills the relatives of the communists and takes their houses. Furthermore, it would like to eliminate all educated people, all those who wear modern Western trousers.

That is why there are progovernment people in Kabul, and also because all the Khalqi and Parchami communists and all the militiamen have gathered in Kabul. None remain in the provinces. They are too afraid.

[Question] Do you think that Westerners should close their embassies in Kabul or, on the contrary, keep them there as witnesses of the Soviet occupation?

[Answer] The Western embassies have done little so far to let the rest of the world know of the horror of the war waged by the Soviets. They can do nothing now; they can gather no information. No foreigner can leave Kabul now. You can get information through the resistance.

On the other hand, keeping the embassies open -- and Abdul Haqq agrees with me on this point -- is an admission that the current Afghan Government is in keeping with the law, that it has the law on its side. It means recognition.

Now then, there is no real government in Kabul. It is the Soviets who impose their decisions.

[Question] How do you view the future of Afghanistan?

[Answer] There are only three solutions for Afghanistan.

1 -- Afghanistan can end up being associated with the USSR by force and as dependent on it as, for example, Czechoslovakia is.

But there is little chance that the Soviets will finally integrate Afghanistan into their system. That could happen only if, too weakened by the systematic, repeated Soviet bombings, the villagers finally give up the struggle and resign themselves to foreign domination.

To limit destruction of the villages, we need foreign aid in the way of anti-aircraft weapons.

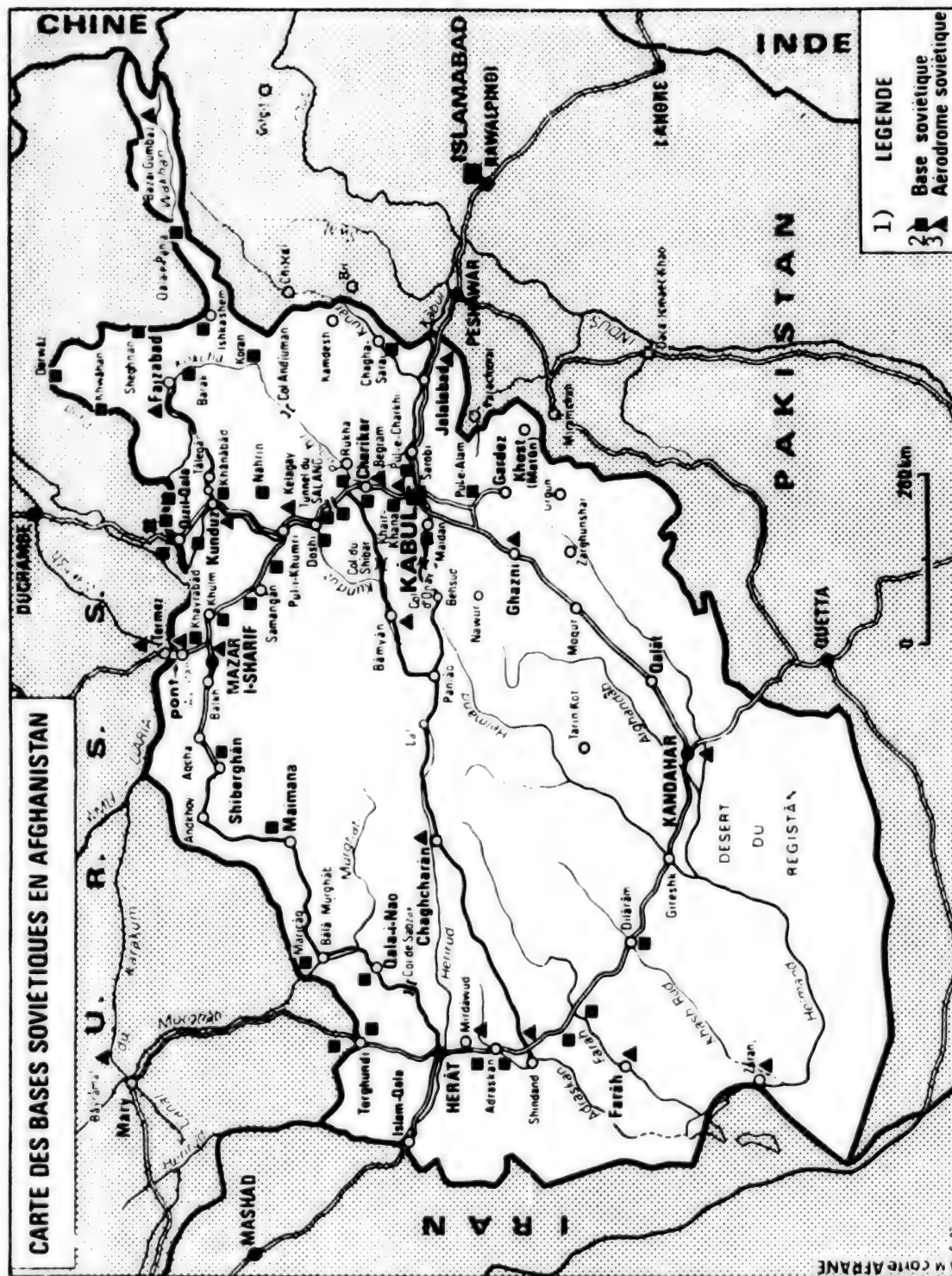
2 -- The second possibility would be an international conference recognizing an independent Afghan Government and obtaining the departure of the Soviet troops.

There is little chance that such a conference could be held or solve the problem of Afghanistan. The world is divided into two blocs that balance and neutralize one another. Each of them reproaches the other for its faults and refuses to admit its own, which means that the two blocs end up agreeing to remain silent about the crimes of the other. Or, as soon as someone speaks of Afghanistan, the others feel obliged to cite El Salvador. Finally, the governments have subjects of concern that are much more important to them than the fate of the Afghan people.

3 -- The last possibility is that the Soviets will be forced out of Afghanistan.

In the years to come, the resistance will grow stronger and the best parties will find increasing support. With unity thus achieved, the governments of the world will finally admit that the resistance represents the people, recognize their representatives and send them aid.

Map of Soviet Bases in Afghanistan



Little by little, protests even within the USSR will grow as the Soviet people understand the unjust and inhuman nature of this war and they will grow tired of the sacrifices it represents for them. On the international level, the Soviet Government will finally feel the need to restore its image that has been tarnished by its crimes in Afghanistan and understand that it is in its interest to leave.

The war is costly for the USSR. Can its economy bear it for long? Wheat and gasoline are already in short supply. And what the Russians steal from Afghanistan is not enough to pay the cost of the war. Already many Soviet plants, as in the case of one automobile factory, are being requisitioned for military needs, the making of tanks and weapons.

It will take 10 or 15 years before Afghanistan is freed. In Afghanistan, never again will it be as it was before. The Afghans will have reflected on the war, on the forces confronting one another in the world and on the government they need. War causes people to grow. They learn, listen to the radio, compare the actions of the different parties.

After the departure of the Soviets, the Afghans will demand a just government.

11,464

CSO: 4619/124

## ECONOMIC GAINS IN VARIOUS SECTORS PUBLICIZED

## Loans Granted To Increase Exports

Kabul KABUL NEW TIMES in English 24 Jul 82 p 3

[Text]

"The Export Development Bank has loaned Afs 1,186,000,000 to the private organisations and enterprises during the year 1360 H.S. (1981)", Masjiddi Shifteh, vice-president of the bank told Kabul New Times in an interview.

He said: "In addition to the above figure, the bank opened letter of credits valued at US\$10,157,000, English £183,000 and German DM401,000 (which are equivalent to Afs 540,800,000) for further expanding and promoting export and import business, to meet the needs of the merchants and local and international markets."

"Out of Afs 1,186,000,000 loan to the private enterprises, Afs 85,000,000 was given for import and Afs 1,101,000,000 for export business", he pointed out.

Talking of the profit made by the bank, he said: "Although the financial statement of the bank for the year 1360 H.S. (1981) has not yet officially presented by the board of directors of the bank for auditing and final approval, we can say with confidence from the figures and inform-

ations registered in the books of the bank that the profits of the bank has been higher than in the previous years. It will be announced officially after the approval of the bank's statement at the board of directors session".

According to the charter, the bank has always made efforts, keeping in view banking regulations and procedures, to provide financial aid to the merchants in order to develop and diversify Afghan exports business according to the specific conditions of foreign markets. The bank also provides its customers with necessary banking procedure informations and service facilities.

Responding to a question, Shifteh said: "Commodities which were exported to foreign countries last year, through the credits of the bank, were raisins, licorice, sesame seed, walnut, almond, pomegranate, karakul fur and handicrafts produce including carpets and rugs".

Explaining the bank's relations with other banks

all over the world he said: "We have banking relations with over 16 reputable world banks. And, with the help of these banks, our bank gives letter of credits, receives collections and honours currently orders or cheques and carries on other banking activities. With the assistance of these banks, the Export Development Bank acts as an intermediate for trade between the sellers and buyers.

"According to the envisaged plan" he went on, the credits to be extended by this bank this year, prepared by the higher authorities of the DRA Central Bank, amounts to Afs 1,600,000,000. This is an increase of Afs 400,000,000 (33 per cent) over last year. And according to this year's plan, the bank will improve the national trade and help develop export from the country by increasing the volume of its loans".

"In order to provide more facilities and assistance to the merchants of the country, the bank plans to establish its branches in the Balkh and Kandahar provinces and later send representatives to other provinces to provide loans", Shifteh said.

## Vegetables, Meat More Plentiful

Kabul KABUL NEW TIMES in English, 27 Jul 82 p 3

[Text]

The state vegetable company which was established recently offered over 500,000 tons of onions, potatoes and other vegetables to the citizens of Kabul at a price much lower than the market price last year, Abdul Ghani Kamaly, President of the executive board of the company told daily Heywad.

He said that this would enable the company to raise vegetables on its own farm and sell it at a still lower price to the consumers.

He stated that recently, according to the decisions of the Council of Ministers of the DRA, the company has also been directed to import chicken from abroad and sell it to the public. He added that the company has already signed a contract with the GDR for the import of chicken.

He said that the company buys these vegetables directly from nearby cooperatives and sells it through a number of commissioned agents, to the public.

Despite selling the vegetables thirty per cent below the market price, the company makes some profit for itself too. He pointed out that the Government has placed research farms of adequate area at the disposal of the company for

Plans are underway to import chicken from other countries in order to meet the growing demands for the consumption of meat here, directly and indirectly through the national traders, Kamaly added.

## Coupons Issued for Food

Kabul KABUL NEW TIMES in English 27 Jul 82 p 3

[Text]

In first three months of this year, 196,100 coupons were distributed at the capital and provinces of the country by the food procurement and public needs department, an official of the department said in an interview with the Kabul New Times.

According to the current year's plan, 250,000 coupons will be distributed to people. Out of this, 116,000 coupons have already been distributed in the capital

and 80,000 coupons were distributed in the provinces in the first three months" he said.

35,918,000 dollars worth of food stuff is to be procured and distributed according to plan. This will include 11,620 tons edible oil, 1,000 tons of soap, 1,340 tons tea, 1,250 tons of bathing soap, 1,350,000 meters of cloth, 1,000,000 rolls of toilet paper, electrical equipments and other items necessary for the people.

The official added, "Our revolutionary Government, continuously makes efforts to ensure peace for the toiling people of the country so that the nation's economy might blossom with improvement of the Government employees' cooperatives aiming at development, with economic and social plans, also contributes to economic progress, by increasing the distribution of retail goods, in spite of transport problems. This year Afs 2,006 million was earned by sale of con-

sumer goods, a 96 per cent increase in comparison with the last year".

Answering a question he said, "There are 102 sales outlets for consumer stuff in the capital and the provinces. Out of this, about 43 stores and 2 department stores are in the capital and 59 stores in the provinces. The department plans to increase the number of the stores. For instance, a department store has begun sale in Microroyan-II. There is a plan to open three other stores in Khoshal Khan Mena, Taimani and Khair Khana Mena. The contract for construction will be signed soon with the Heywad construction unit and with the completion of these there will be 46 stores in Kabul".

About the developmental plan of the Government employees' cooperatives' the source added, "This department has drawn up plans to implement the objectives of department. It includ-

es analysing and studying the consumer goods needs purchasing and providing these from local and foreign markets and distribution of such goods to the coupon holders".

"For this purpose", he said, "in the development plan of the department, the constructions of modern stores and departmental stores have been taken into consideration. The present stores are found to be too small and are rented. According to the latest plan two department stores, with the capacity of 7,000 cubic metres and 30 stores with the capacity of 31,500 cubic metres will be built." Likewise, 77 stores with the capacity of 80,183 cubic metres are being planned for distributing the material available to coupon-holders. This includes the storage place at Pule Charkhi which covers 60,000 sq ms and four other godowns that will be completed soon.

#### Economic Independence Promoted

Kabul KABUL NEW TIMES in English 4 Aug 82 p 2

[Text] Economic reconstruction and successful implementation of the economic development plans of the country require creation of a powerful infrastructure.

Creation of a material as well as technical infrastructure for the country's industrialisation process has crucial relevance to the task of building an independent economy.

Even a cursory glance at the country's shattered economic conditions bequeathed from the past decrepit orders shows clearly that, like other sectors, the material and technical basis for economic growth which guarantees the rapid progress of the society was totally neglected in the past. Therefore, all sectors of the national economy--agriculture, industry, transportation, communications and so on--were being kept in a backward state for long years.

Unchecked import of consumer commodities from the imperialist countries' markets and their unscrupulous competition experienced in the past against the newly-founded industries was a major obstacle against the country's industrialisation. The production of the consumer commodities inside the country is of prime importance for the country's economy.

Adoption of necessary measures for encouraging and supporting the local industries highly contributes to the rapid growth and development of the national economy. Thus alone can the country's economic dependence on the foreign markets be removed and the country surge forward towards economic independence.

After the victory of the glorious Saur Revolution, particularly its new and evolutionary phase, necessary measures were adopted in this direction

by the revolutionary Government under the leadership of the People's Democratic Party of Afghanistan, vanguard party of the working class and toiling people of the country.

The Programme of Action of the People's Democratic Party of Afghanistan, while dealing with the tasks of the revolutionary party and state in the sphere of industry, energy, transport and communications, says in part: '.....the pressing and urgent need for growth of industries and allied branches for meeting the needs of the country for means of production, equipment, chemical fertilisers and agricultural implements as also for consumer goods for the use of people is being felt. Attention in the main will be focussed on the growth of the state sector and creating the foundations for the industrialisation of re-

volutionary Afghanistan'. Rapid development of the state and mixed sectors and creation of, and assistance to cooperative institutions in the private sector and handicrafts ensure an increasing volume of the industrial production.

The private sector in the sphere of small and medium industries and the branches of industries with good market prospects is supported and encouraged by the revolutionary Government.

The recognition and formulation of their grave duties in the sphere of industries and energy by the People's Democratic Party of Afghanistan and the revolutionary DRA Government that, in a none-too-distant future, our country will achieve an industrial and advanced economy, built, preserved and promoted by the powerful minds and arms of its patriotic youth.

## Textile Mill Shows Profit

Kabul KABUL NEW TIMES in English 4 Aug 82 p 3

[Text]

• Gozargah Textile Mill, in 1360 H.S. produced 1,604,000 metres of cotton, voil and grey cloth and 2,262,343 metres of dyed cloth.

The machines of the mill were also repaired, according to an official of the mill.

Speaking about the work, the level of production, the number of departments and technical personnel in the mill, the official told Kabul New Times, "With the victory of the Saur Revolution, especially its new and evolutionary phase, the workers and staff of the Afghan Gozargah Textile have not refrained from any efforts to increase the level of production."

"The Gozargah Mill has also made a profit of Afs 1,156,100 from economising on raw materials by scientific grading of dyes. Last year the mill introduced a new method in the productive process. Earlier voil could not be produced by the existing equipment. However, now even this kind of textile is being produced by the mill which is an important quantitative and qualitative improvement".

The thread starching machine, an important equipment in the weaving section was out of order for years. It has now been repaired and is being used in the mill.

The mill has a spinning, a weaving, a dying, a cotton grading, and a technical section. There is also a foundry and an electrical office.

The mill mostly produces good-quality cotton that compete with foreign materials. The production capacity of the mill is planned to be three million metres of cloth in 6,000 hours.

The dyeing section now produces 6,000 metres of cloth daily and the spinning section spins about 3,840 spindles. The weaving section has 215 looms while the dying section also has a few ironing, drying and measuring machines.

The raw materials are purchased by the executive section of the mill from different countries, like Finland and Yugoslavia according to the needs of the mill.

The spinning section is one of the important productive sections and its machineries are purchased from the friendly Soviet Union.

Earlier, the thread used to be imported from abroad, and this proved economical.

The section is divided into two parts—one for preliminary work and the other for spinning. The section started its work with 20 sets of foot-loom. Since the

looms were outdated, they did not meet the requirements. Therefore, 75 new machines were bought.

The dyeing section works in two shifts and, in 24 hours, dyes about 7,000 to 10,000 metres of cotton cloth. The dyeing with appropriate chemicals is done under the supervision of technical personnel, taking economical aspect into consideration".

The technical workshop of the mill, which does repair work and makes new spare parts, started functioning in 1323 H.S. (1944), at the beginning it had a drilling machine, a rasp machine and two vices. In 1358 H.S., (1979), the workshop was expanded.

The foundry section is another important section of the mill, has two furnaces. At a time, it produces about 25 to 30 kgs of cast iron. Besides, the mill also accepts orders from other mills.

The official said that the current year's plan envisages a series of new activities. These include: concreting of the roads in the mill, construction of a new kitchen and a new storehouse, extension of the electricity line, repair of spinning machines, training of new workers, production of voil, coloured cotton, white cotton, and grey clothes, thread starching, repair of we-

aving machines, the furnace of the Puli Khomri mill, and the electrical motors, provision of new spindles, and dryers for dyed clothes, completion of the conference hall and repair of the surrounding walls, construction of a sports field for the workers, as well as a new mosque, installation of a 10-line automatic telephone station in the mill

and the completion of the balance sheets of the years 1359 and 1360 H.S.

After the victory of the new and evolutionary phase of the Saur Revolution, more facilities have been made available by the Government for the mill. One of these is a temporary tax and loan repayment holiday for it, the official disclosed.

### Da Afghanistan Bank Increases Business

Kabul KABUL NEW TIMES in English 9 Aug 82 p 1

[Text]

KABUL, August 9 (Bakhtar).— An improvement in the performance of Da Afghanistan Bank, the central bank of the country, was noted at a session of governing body, headed by Dr Khalil Ahmad Abawi, Deputy Chairman of the Council of Ministers, and President of the State Planning Committee, here yesterday.

Finance Minister Abdul Wakil, Commerce Minister, Mohammad Khan Jalalar, Agriculture and Land Reforms Minister Fazl Rahim Momand, the Deputy Minister (Industries) of the Mines and Industries Ministry and the supervisory body of the bank were present.

The last year's balance-sheet and the revenue and expenditure statement of the bank was confirmed at the session.

In 1360 H.S. (ended Mar-

ch 20, 1982), the bank opened more letters of credit and made more exchanges, transfer and foreign exchange deals as compared with last year.

The bank has also played an active part in attracting the idle money of the people, commercial organisations, banks, and other places into the current, profit and non-profit accounts.

The volume of the current accounts of the bank increased by 43.82 per cent in 1360 H.S. as compared with the preceding year.

Categorywise, the current accounts of individual persons have increased by 160 per cent, of the domestic banks by 104 per cent, of the enterprises by 64 per cent and of the foreign organisations by 26 per cent.

The saving accounts of individuals has grown by 33 per cent in the year as

regards the number of the accounts or from the assets points of view as compared with the preceding year.

Transfers and money exchanges at the country's level in 1360 H.S. have been carried out on an extensive volume by the bank in order to meet the monetary requirements of the people and to help promote the economy.

The grant of loans in Afghan currency has grown and foreign exchange loans have gone up almost eight-folds for the purpose of comprehensive development of the national economy.

The collection of debts of Afghan currency in 1360 H.S. was at the level of the preceding year and that of the foreign exchanges has shown a rise of 30 per cent as compared with the previous Afghan year.

## Carpet Exports Increased

Kabul KABUL NEW TIMES in English 11 Aug 82 p 3

[Text] "The Union of Carpet Exporters of Afghanistan exported 223,743 square metres of carpets and rugs during the first three months of the current Afghan year.

Disclosing this, an official of the union told the Kabul New Times: "Under the guidance of the Commerce Ministry, the union has always made efforts to encourage the national traders to expand their activities on this business. And, this has caused a rise in the carpet export volume".

For example, in 1359 H.S. (1980), over 744,000 square metres of carpets and rugs and 232,234 square metres of short-napped rugs were exported to over 40 countries. "This figure testifies to the fact that activities of the union inside and outside of the country are effective and satisfactory".

"The national traders in general and the carpet exporters in particular have all-sidedly supported and are supporting the Saur Revolution with full confidence in the prospects of their business and have welcomed and are welcoming all the resolutions of their revolutionary Government", the official added.

"The new and evolutionary phase of the Saur Revolution", he said, "has provided new grounds for the carpet exporters so that they have taken and are taking constant steps in their business for the development of exports, in carpets,

rugs, and short-napped rugs in the country with full confidence. Overcoming all the problems they faced in their business, they introduce and sell this precious and valuable art of the country to the world people through international markets".

It may be recalled that the carpet dealers were not able to export more than 300,000 square metres from 1347 H.S. (1968) till the victory of the Saur Revolution in 1357 H.S. (1978). However, in 1357, over 450,000 square metres of carpets and rugs were exported and, in 1358, this figure rose to 660,000 square metres and in 1359, to 740,000 square metres".

After the new and evolutionary phase of the revolution, in the course of 1359 and 1360, exports of carpets, rugs and accounted for a considerable part of the country's foreign trades.

Preservation of the fame of carpets of this ancient land has a very practical significance—it adds a considerable amount of hard currency to nation's income. After the natural gas and fruit export, the carpet export makes the biggest component of the foreign trade of Afghanistan. The average annual income from it is estimated at over 1,000 million dollars.

"If one sees the carpet export graph in the course of recent years, he will realise that the business is incessantly developing and this will prove the claim that no carpets, in the world can compete with Afghan products from the

viewpoints of weaving, dyeing, design and preciousness", the official asserted.

Elaborating on the exports during 1360, he said: "The volume of the carpet and rug exports reached to 720,000 square metres while the short-napped rug export was 183,000 square metres. Fortunately, the figure is increasing during the current year. For example, 223,000 square metres of carpets and rugs and 65,750 square metres of short-napped rugs were exported during the first three months of this year."

Afghan carpets are presently being exported to over 45 countries of the world and, "because of the keen interest in trade circles and the warm welcome of peoples of these countries, the demand for them is increasing with every passing year". They are mostly exported to the Federal Republic of Germany, Britain, the Soviet Union, Pakistan, Saudi Arabia, the Persian Gulf countries, the Netherlands, Switzerland, Austria, the US, Kuwait, France, India, the Scandinavian countries and Canada.

Answering a question, the official said: "According to the union's registration office, 594 merchants are the members of the union and the number will be increased with the realisation of developmental plans of the Government in this regard through encouragement to national and patriotic traders for development of the business".

## More Hides, Furs Exported

Kabul KABUL NEW TIMES in English 14 Aug 82 p 3

[Text] "The karakul export company exported 150,000 pieces of karakul furs to foreign countries during the year of 1360 H.S. (1981)."

Disclosing this, an official of the company told Kabul New Times that the company exported 127,733 pieces of dark-blue karakuls and 22,636 pieces of black karakuls to the markets of London and Leipzig last year, out of which 12,736 pieces were exported to Leipzig and the rest to London. Thus, 113,428 pieces of dark-blue and black karakul furs were sold in London at the cost of £ 822,650.40 while 16,224 pieces at the cost US \$ 186,642 in Leipzig.

"The company exports what quantity it can purchase from the local markets and this constitutes the hard currency earning of the company. Although the cost of karakul changes every year, the company makes around £ 850,000 and US\$ 200,000 annually from its export and sales," he pointed out.

He recalled that the company was established in 1319 H.S., i.e. 42 years

ago, with the initial capital of Afs 44,145,000, of which 15,255,000 was the share of the Afghan Millie Bank (the national bank). The capital gradually increased and in the year 1343 H.S. (1964), it reached Afs 167,153,000.

However, according to the decisions of the general session of shareholders of the company regarding the improvement of the financial base of the Afghan Textile Mills, the company provided Afs 111,009,000 to that mill, thus, only Afs 56,144,00 was fixed as the capital of the company of which 70 per cent was the share of the Millie bank and the rest the shares of other Government and individual share holders.

The dark-blue karakul furs are very famous throughout the world and they are being sold at high prices in the world markets. The high and medium quality of dark-blue karakul has averagely been sold at the cost of £ 8.

The company has no selling agency abroad and its sales are undertaken by the London Hudsons-Bay company, that is, the karakul furs are sent to this company and the merchandise are kept and managed by the Afghan trading company in London. The representatives of karakul exporters and organisations only attend the sale of karakuls.

The company has two purchasing agents in the northern part of the country, one of them is in Mazare Sharif Balkh province and the other is in the Andkohl district, Fariab province.

"These two agencies purchase furs in their production seasons. After collecting and processing the purchased furs, they send the karakul furs to Kabul for sorting" the official said.

"Purchase and sale of karakul furs are the only duties of the company, so it has been always making efforts to purchase good, desirable and supreme quality merchandise and sell them at high, though reasonable prices at foreign markets. Of course, rearing, expansion and other activities of karakul sheep are the duties of the live-stock-breeders and technical personnel of the veterinary department of the Agriculture and Land Reforms Ministry.

"The company and all other karakul exporters employ all their capital to purchase karakul and sometimes, they receive credit loans from their bankers. The company, therefore, often borrows the sums necessary from the Afghan Millie Bank. The Pashtanie Tejaraty Bank and the Exports Promotion Bank also provide credit loans to the traders and national capitalholders to purchase karakul furs" the official said.

CSO: 4600/734

KHOMEYNI CAMPAIGN AGAINST COMMUNISTS, SUPPORTERS REPORTED

London AL-DUSTUR in Arabic 2 Aug 82 p 11

[Article by 'Ali Nuri Zadeh: "Khomeyni's Battle with the Communists"]

[Text] The ruling regime in Tehran has prepared new lists of names of Iranians who had direct or indirect relations with Iran's communist Tudeh Party. It began a campaign for ousting, arresting or executing those persons.

Heading the list are the names of five ministers. Three of them have actually been removed from office. They are [Abdol Majid] Ma'adikhah, minister of Islamic guidance; Behzad Nabavi, who became widely known ever since the U.S. hostage crisis; and the third minister is the minister of social affairs. At the same time, an announcement will soon be made that Hojjat ol-Eslam Nateq Nuri, minister of the interior and Agha-Zadeh, an adviser in Khomeyni's government with a minister's rank will be removed from office.

What is curious in this matter is that the announcement of the ouster of the three ministers was somewhat furtively placed in the final pages of Iranian newspapers and magazines. It was broadcast from Tehran at the end of news reports to avoid calling attention to the campaign that Khomeyni had begun against the last allies who had supported him without reservations ever since he came to power.

It is worth noting that the aforementioned campaign began when the newspaper, MARDOM, the newspaper of the Tudeh Party, was suspended. Then the party's property, the party's offices and its publishing company and publications were confiscated, and Baqer-Zadeh and Ihsan Tabari, the assistants to Nur al-Din Kianuri, secretary general of the Tudeh Party were arrested. Mr Kianuri fled recently to Moscow.

The arrests included many party cadres and leaders, and it is expected that other people in responsible posts and positions inside Iran and abroad will be removed from those positions.

These measures on the part of Khomeyni and the main clergymen in his government did not surprise observers who are knowledgeable about the background and makeup of struggles and alliances inside Tehran. These observers realize that time had gone by and that it was now time to get rid of Khomeyni's allies in government after they played the role they were expected to play, from his point of view.

It is known that the Tudeh party supported Khomeyni and went along with all the steps he took ever since he came to power. Although the Tudeh party was rather late in joining the forces of Khomeyni, doing so after Khomeyni had reached his final destination, there was nothing for the party to do but hang around behind the doors and positions of power after it had failed to find for itself positions in government. However, some members of the Tudeh party were in the government, like Hojjat ol-Eslam Kho'ini, H.D. Biman and Hoseyn Sheykh ol-Eslam, who is now deputy minister of foreign affairs.

At first, the hostage crisis helped the Tudeh Party establish its positions around the government. The Tudeh Party reorganized its ranks and added new members.

The Tudeh party is not popular among the people because it opposed Mosaddeq during his rebellion. It is to be noted in this regard that the party had its own strong armed organization within the Iranian armed forces. However, it took no action to save Mosaddeq instead, it helped bring about his demise. This organization was discovered after Mosaddeq was eliminated and most of his leaders were executed. It was then established that the party had received orders from Moscow not to become involved with Mosaddeq against the Shah and even to oppose him.

When the incidents in Iran began, the party supported Khomeyni even in the foolish steps he took and in some of his positions that conflicted with the ideology of the Tudeh Party. For example, the Tudeh Party supported Khomeyni's position on ethnic minorities and his battles against the Kurds and the Baluch in Kordestan, in Baluchistan and as far as Turkman.

Party leaders thought they had to support Khomeyni so that the plan they had laid out would not collapse. They thought that the public would ultimately get tired of Khomeyni's government and that the alternative would be a communist government led by the Tudeh party.

At the present time the Tudeh party does not have any organization within the armed forces. But it does have many members in government, as we've already stated. Most of them are deputy ministers, and they are the ones who run the business [of the government].

Tudeh Party proceeded to support Khomeyni, and it even provided him with information that would help him get rid of his opponents, the Mojahedin-e Khalq, Tudeh's former allies. Because of this information Khomeyni was able to arrest or kill more than 4,000 Mojahedin. Some people may wonder why Khomeyni has turned against the Tudeh Party and why the honeymoon which began when Khomeyni came to power has come to an end. Reports from Tehran affirm that after the battle of Khorramshahr, [members of] the Tudeh Party began talking in the party's newspapers and at party meetings about the necessity of putting an end to this war. It was said that that too was effected [in compliance with] Moscow's instructions. It is to be mentioned in this regard that 2 days before Iran attacked Iraq, the Soviet charge d'affaires in Iran visited Iran's prime minister and advised him not to become involved in an attempt to invade the borders of Iraq.

On the day following the visit Iran's media attacked the Soviet Union and described it as the smaller devil. The media stated that the United States was the greater devil and that both countries were against Iran.

It was then that numerous observers became aware of the fact that the liquidation of the Tudeh party had become imminent and that Khomeyni would begin carrying out a new phase of his government in Iran. That phase would involve the elimination of everyone who was directly affiliated with the Tudeh party, even if he supported him.

This phase, which has actually begun, brought to mind how Khomeyni, who had come to power with the assistance of all Iranian political forces from the left, the right and the center, had immediately begun to get rid of the greatest obstacle that represented a threat to him: the National Front. The National Front included veteran politicians who were liberal nationalists. It must be admitted that the Mojahedin, the Tudeh Party and most leftist forces fought this battle with Khomeyni against the men of the National Front and the Liberation Front.

After the first stumbling block was removed from Khomeyni's path, it was the turn of the national political figures who supported him, like Bani Sadr and others. Then came Khomeyni's well-known position on the Mojahedin-e Khalq and those who are similarly inclined. Only the Tudeh Party was left with Khomeyni, and the liquidation of that party is now beginning.

It is thus being reaffirmed that what Khomeyni is doing to oppose Iranian political forces and parties indicates quite clearly the dimensions of the role that he is expected to play in Iran. It [also] poses again that old question: Why does the West hesitate to oppose Khomeyni's regime, and why is it still supporting him in one way or another?

8592

CSO: 4604/48

# PROPAGANDA FUNCTIONS OF GUIDANCE MINISTRY OUTLINED

Tehran KEYHAN in Persian 12 Aug 82 p 17

[Interview with Mohammad Ibrahim Asgharzadeh, deputy for international affairs, Ministry of Islamic Guidance]

[Text] In a conference yesterday morning with mass media correspondents, Mohammad Ibrahim Asgharzadeh, deputy for international affairs of the ministry of Islamic Guidance, explained the activities of this ministry in the area of propaganda abroad.

At the beginning, concerning the black propaganda of international imperialism against the Islamic revolution, and the ministry of Islamic guidance's policy towards neutralizing this propaganda, in addition to bringing the message of the Islamic revolution to the world's people, he said: Because the Islamic revolution wants to present the meaning of independence and freedom to the world's deprived people, world imperialism led by the United States has fully realized this and is the enemy of the Islamic revolution. Therefore it has made a great deal of capital investment in this area, and Washington as well has allocated a huge budget to this matter. The policy of the world-devouring United States is accomplished through its embassies in various countries, radio and television, the press and world news agencies which often receive stipends from imperialism and Zionism. All of the United States' military, cultural and political policies in the region are related to striking the Islamic revolution and preventing its spread. Thus we have two duties. Firstly, to remain steadfast in this poisoned atmosphere they have created. Secondly, to bring the message of the Islamic revolution as it is to the world's people.

Brother Angharzadeh added: In general the policy of the ministry of Islamic guidance must be based on one quality, one method. On that basis, we should consider more than just slogans. In this sensitive matter we should not rush but should carry out our duty on the basis of study and knowledge of the world's various cultures, and after correct planning and action.

Explaining the duties of the deputy's office, the deputy for international affairs of the ministry of guidance said: Our jurisdiction encompasses several sections, including the section for foreign missions, which was formerly operating under the supervision of the ministry of culture and higher education,

but is now functioning under the supervision of the ministry of Islamic guidance. So far we have been successful in dispatching a larger number of attaches, counsellors and cultural representatives to various foreign countries by this means. We have about 60 persons in training now who will soon be sent to various foreign points in coordination with the ministry of foreign affairs. Basically this section has been very active and dynamic. He added: Another section under the jurisdiction of this deputy office concerns itself with the production and distribution of publications, pictures and posters. This section offers 7 monthly and weekly publications in 7 languages. They include articles by committed Muslim brothers and supporters of the Islamic revolution abroad. They are supplied to persons interested in the Iranian Islamic revolution, along with photographs and posters relating to the Islamic revolution. Another section is the Muslim Women's International Relations Unit, which is newly founded. Its duty to identify revolutionary, committed women abroad and create facilities for them to meet with Iranian women, as well as organizing seminars in this area. Another unit was organized to set up exhibits in foreign countries. In this connection we need the cooperation of all the institutions and organs of the Islamic republic. Brother Asgharzadeh stated that other activities of the deputy office for international affairs of the ministry of Islamic guidance included: Supervision of foreign cultural organizations residing in Iran; the identification of committed, struggling scientists, individuals, groups and organizations and the means of cooperating with them; supervision of cultural agreements concluded between the government of the Islamic Republic of Iran and other governments, the presentation of the ministry's views concerning the greatest possible enrichment of those agreements; study of the foreign press and presenting press summaries to officials supervising foreign correspondents, who will be allowed to continue their work if they commit no distortions during a one-month trial period; supervision of books imported to Iran in order to boost their quantity and quality, and prevent the needless flight of foreign exchange; and programs for the anniversaries of the imposed war and 4 November, which are being prepared.

Concerning the manner of coordinating foreign propaganda, and the administration of the ministry of Islamic guidance in light of Hojjat ol-Eslam Ma'adikhah's resignation from the ministry, brother Angharzadeh said: Following the imam's order to Ma'adikhah to coordinate the press abroad, a council was organized composed of the minister of foreign affairs, the chairman of the Majlis Foreign Committee, the managing director of the VOICE AND VISION OF THE ISLAMIC REPUBLIC, the minister of Islamic guidance, and Ayatollah Jennati. This council is now actively continuing its work. The acting minister of guidance on the council is this ministry's deputy for international affairs. The proposal to submit a bill for a united, coordinated propaganda system including foreign propaganda has been approved, and the ministry of Islamic guidance will also cooperate in drafting the plan. Furthermore, the ministry's administration is supervised by the prime minister, and the deputies report on their work to him. The weekly meeting of deputies is attended by the prime minister.

At the end, in response to a correspondent's question concerning the issuance of visas to pilgrims to Mecca, the deputy for international affairs of the ministry of Islamic guidance expressed hope that the Saudi Arabian government would issue visas for all the Iranian Haj pilgrims during the next several days.

CONCEPTS FOR WAR PROPAGANDA OPERATIONS EXAMINED

Tehran KEYHAN in Persian 19 Jul 82 p 14

[Interview with Dr Kamal Kharazs, chief of staff of War Propaganda]

[Text] Ahvaz--KEYHAN reporter--Dr Kamal Kharazi, chief of staff of war propaganda, in a special interview with the dispatched KEYHAN reporter from Ahvaz to the central Fath camp in the southern front, expressed his views about the continuation of war, the resolution of the Security Council, and the means to combat the poisonous propaganda mouthpieces and mass media of imperialism against the Islamic Republic of Iran.

First, he mentioned the reason for the Islamic forces entering the enemy's soil and the purpose of this action and said: "The activities which started in the name of Ramadan, were a new stage against the Ba'thist regime, and to punish the aggressor, and to attain our right and determined terms."

He added: "Instead of accepting and adopting the terms that we had announced and still do, the Ba'thist regime of Iraq, contrary to its significant defeat, has resorted to political and propaganda tricks and games in order to place us in a submissive position and make us stop the war and get involved in political games."

He added: "But fortunately, with the guidance of the nation's Imam, and the bravery of the brother fighters in the fronts, and with their faith and dignity, the Ramadan activities were approved and implemented. Instead, God forbid, of us being affected by negotiation and political games, we will be able to punish this aggressor with our own hands. In this manner, we will be able to prevent the plots and political maneuvers of the superpowers and international organizations and the supporters of Saddam, who are trying to acquire good standing for Saddam and preserve his shaky government, which is in a state of collapse, until the nonaligned conference, and in this way ratify and continue his rule."

He added: "This new stage of our plan, with God's help, will neutralize these tricks and will show the world the method of punishing the aggressor."

Dr Kharazi then referred to the resolution of the Security Council of the United Nations and said: "This is another trick of Saddam and his supporters, the superpowers and reactionary governments and the assembled world, who were touched and decided to place us under more political pressure and it is unprecedented that a resolution be unanimously approved by the Security Council."

He added: "The Eastern and Western nations with this gesture, want to act against Iran and place us in a political deadlock and under international pressure since the interest of east and west is the continuation of the Iraqi regime. If this regime falls, a fundamental obstacle will be taken from the Islamic Republic's path and the revolution will be able to rapidly influence the region. Therefore, this is another trick of the superpowers and reactionary governments to place us in a deadlock following the previous tricks such as retreat and the flight of Saddam's forces from our soil. The question of his advantageous demands for peace and the pretense of being peaceable in the world, places us in a situation of not being able to continue the war. This is their last trick to put us in a situation, so that finally because of fear, we will give in and negotiate."

He also said: "But those who are familiar with the Islamic revolution realize we do not pay any attention to these international organizations and their resolutions, since if we wanted to pay attention to these resolutions, we would not have had a revolution or war. We must ask the international organizations why, when the aggressor Iraq was in Iran and massacred and annihilated everyone, they did not take such action and make demands for the withdrawal of the aggressor Iraq; and even though we have not entered Iraqi soil, they have issued such a resolution."

Kharazi, in respect to the region's reaction to the Islamic Republic of Iran forces entering Iraq said: "Definitely, this will create a suitable situation for the imperialist forces and mass media to expand their attacks against us, and the reactionary Arab governments especially, will take advantage of this situation since special plots have been set up against us, and we cannot be indifferent to these mass media and the position of these governments and their reactionary regimes."

He added: "The important thing for us is the heart of nations and the oppressed. Undoubtedly, those who are under the tyranny of these regimes will be pleased by our action and in reality we pave the way to liberate them from a reactionary American government for the people to govern themselves."

He added: "The war prisoners who have been captured during these new activities by Islamic forces have told us repeatedly and have emphasized that the people of Basra are awaiting you, and we saw that the Imam's message is issued in this connection, which invites the people of Iraq to move and commands that our forces have arrived and you will welcome them."

Dr Kharazi added: "Our cross border activities, with God's help, will cause an exceptional movement and understanding among the deprived masses and they will become familiar with their rights. Our highest goal and biggest gain is that the people themselves with their own desire, revolt and topple their governments."

Dr Kharazi, in respect to combating the poisonous propaganda, mouthpieces, and mass media of imperialism said: "The work carried out at the war propaganda headquarters is really coordination between mass media and national propaganda and determines political and propaganda policies that indicate in what manner they will be applied in the press and new agencies."

He reminded us: "We are certainly very weak in respect to the propaganda equipment and propaganda ability and we are not able to use the full extent of the equipment we already have. Since we are talking about our rights, our words will find their way to the hearts of the deprived people. Therefore, we hope that by any means, our message reaches those oppressed nations, since right now, our propaganda is a human propaganda, meaning, more than relying on the world mass media, we rely on the transfer of heart to heart and hand to hand information by the people themselves. For example, the region's television never discusses our affairs, but we do by sending video tapes outside the country through the hands of Muslim forces. Regardless of their deficiency and shortcomings, we prepare them in the Persian language and transmit them. In South Africa, the Muslims make 800 copies and distribute them throughout the region. This is a humane and inexpensive propaganda. When the hearts of nations are with us, we do not need lots of investment. In the shiekdoms, when we send a video tape, they make copies and sell them with enormous profit and with their money, they buy medicine and send it to the Iranian war fronts and we rely on this method of propaganda."

Kharazi, at the conclusion of his talk said: "By our power, we thank God with respect to these activities, which are used mainly to annihilate the enemies' forces and disperse them and have worked very well and with God's will, will be done. We have attained the first stage of our goal and fortunately our human casualties and losses have been insignificant. More important, with these activities, we have kept the morale of the enemy weak and caused them to flee. According to information, in the very first hour of activity, the enemy fled and was demanding from their higher ranking officers to retreat. On the contrary, they were advised to continue fighting until their last bullet, but they either retreated or fled and this was the best result of our activity. As the morale of the enemy becomes weak, they will not be able to resist."

9815

CSO: 4640/416

# FUTURE ROLE OF REVOLUTIONARY ORGANS OUTLINED

Tehran JOMHURI-YE ESLAMI in Persian 29 Jul 82 p 12

[Speech by Prime Minister Musavi-Khamene'i]

[Text] The weekly meeting of the coordination council of the revolutionary organs was held yesterday afternoon in the presence of the prime minister, Musavi Khamene'i. In this meeting, the members of the 12 revolutionary organs of the council, the deputy ministers of the ministry of interior, and the prime minister were present. The secretary of the council presented the report of the four month operations of the council and its different committees, from the beginning of the current year, and also the report about the formation of coordination councils of revolutionary organs in different provinces. Then the prime minister talked about the active and effective role of the Islamic Revolution organs, the coordination council of the organs, and the necessity for the expansion of their activities. Mr Musavi in a part of his speech, said: "According to the reports received from the provinces, the coordination council of the revolutionary organizations, with the participation of the responsible authorities of the organizations, Friday Imams, and governors has been held. They helped in solving many of the difficulties, and in addition to solving part of the problems of the revolutionary government organizations, could be the basis of creativity and initiative in the basic affairs of the country."

The prime minister added: "The action of this council with the cooperation and coordination of the revolutionary organizations and government, could facilitate many important national affairs like propaganda, cultural affairs, housing, employment, distribution and cooperation. The Islamic revolutionary organizations with the mobilization of possibilities, and the cooperation of the government and the people, and revolutionary methods, will be able, as before, to perform the activities that the administrative institutions were not able to fulfill with their classic methods. As a whole, the creative contacts among the different organizations and their cooperation with the government will create abundant blessings for the Islamic revolution."

The prime minister, about the future of revolutionary organizations and their relation with the government said: "With the compilation and approval of the charters of the revolutionary organizations, a regular, organized, and defined relationship will be established with the government, and thereafter, the coordination council, along with the cabinet, will officially play a more active role than before."

Mr Musavi in conclusion, in respect to some of the previous problems said: "The revolutionary organizations, because of their extreme concern for the revolution, and their vigor, expanded rapidly and sometimes they exceeded their limits. Therefore it is necessary, along with the protection of vigor and expansion of the activities, that the limits and extent of their duties be distinguished. Steps could be taken in this regard, first, in the coordination council, and then could be distinguished in the charters and guidelines."

9815

CSO: 4640/435

SEVENTY THOUSAND IRANIANS SEEK ASYLUM IN BRITAIN

London AL-DUSTUR in Arabic 9 Aug 82 p 24

[Article by 'Ali Nurizadeh]

[Text] Since Khomeyni came to power in Iran, the number of Iranians who preferred to flee and seek asylum in various countries, especially in Europe and America, has been steadily increasing.

With the exception of groups of students or formal emigrants, the number of "political" refugees has reached astronomical figures because there are almost 70,000 in Britain alone and about 150,000 in America in addition to 400,000 living elsewhere, i.e., almost 600,000 Iranians have fled from Iran, and are unable to return either because of their activities against Khomeyni or because of their stands during the rule of the late shah or because they belong to religious or ethnic minorities.

Before going into details, I must point out that the statement that the lives of these persons would be in danger if they returned to Iran is a statement that on one can disprove in the light of the practices of the regime in power and the absence of clear standards followed by the regime in treating people in Iran.

We need only recall that when Khomeyni announced at the beginning of his rule that he would pardon any Iranian returning to Iran, a great many believed he would keep his promise, and some of those who had previously held ministerial or military or governmental posts actually returned. In the event, Khomeyni did not keep his promise and he ordered them to be arrested and in most cases executed. Among them were army generals.

If we look at official figures, we see that the number of those hanged, executed, or killed in the period between the beginning of Khomeyni's rule and the flight of Bani Sadr with Masiud Rajavi from Iran comes to 10,000 persons. As for the period from their departure to the present, more than 4300 were executed when the Mojahedine Khalq and some leftist groups announced their opposition to Khomeyni, i.e., the total number of those whose execution was officially announced is estimated at 15,000 Iranians whose names and affiliations were entered into the official records.

Apart from the official counts, it is certain that many thousands of others have been executed, as shown by the mass graves that are discovered from time to time, graves containing hundreds of bodies from mass executions.

Mention must also be made of the Iranians in jail numbering 55,000 political prisoners, including 20,000 members of the Mojahedine Khalq organization while the rest are members of military organizations, army or political party men, and members of the National Front.

The flight from Iran is accomplished in one of two ways--through Pakistan or Turkey. There used to be a third way, from southern Iran to the Gulf states, but this is now blocked.

A lucky Iranian is one who has with him his passport while fleeing from Iran. He uses it to prove his identity. What happens is that after the authorities in the state to which the Iranian is fleeing are convinced of his identity and that he is fleeing for political and not economic or criminal reasons, they grant him a temporary visa until he decides what country he will go to. The Iranian then gets in touch with the embassy of this country where he will be granted either an entry visa or a travel and transit certificate and from there, i.e., from the country that he enters, starts the process of getting a U.N. passport or traveling in search of political asylum.

During the hostage crisis, the United States refused to grant Iranians asylum, even those who actually had obtained entry visas. However, the situation is changing these days and America welcomes Iranians as political refugees.

Going back to the basic issue, that is Iranian refugees in Britain, we find that the conditions laid down by the authorities and on the basis of which they grant Iranians political asylum are very tough, causing many tragedies. Here are a few examples.

Mitra was a young girl who completed her higher studies in sociology in Southampton University and was preparing to finish her doctoral dissertation. Because her father was an important official in the Iranian Oil Company, the Iranian Embassy knew about her and advised the government in Tehran to block the remittance of her living expenses and tuition in Britain through her family in Iran. Mitra tried in every way possible to resolve her situation but she was unsuccessful. She went to the competent authorities in London with a request for political asylum. They refused and she was deported. As soon as she reached Tehran, she was jailed and condemned to death on the charge of prostitution. (Imagine this charge against) a university student who almost obtained a doctorate! On the day of the execution, they hung her university diploma near her and then shot her.

Another example is of a friend, Dr Parvis Qarib, who studied in France. When he returned to Iran, he was jailed for smoking Winston cigarettes and carrying in his suitcases some works of Jean-Jacques Rousseau and Jean-Paul Satre. Dr Qarib was charged with having been brainwashed in the West and thrown into prison. After a while his family was told of his death and asked to come and get the body. It was clear that he died after inhuman torture; he was then shot.

A third example is that of an Iranian girl belonging to the Bahai minority and studying in Britain. Because she couldn't prove her life would be in danger if she went back to Iran, she returned and was imprisoned. She is now an inmate of Khomeyni's jails.

After many protests and contacts between Iranians and the political parties, Hartsly, minister of internal affairs in the Laborite shadow government, and other members of Parliament from the three British parties began reporting efforts to convince Mrs Thatcher's government to be at least even hand between the Iranians who seek asylum in Britain and other nationals who obtain this right easily.

It has been observed in this regard that a Pole, for example, who reaches Britain as a refugee, is immediately given permission to stay for a year, after which he is given political asylum if he wants it--without (the need to) provide proof or documents. It is generally known that if a Pole returns to his country, death will not be his fate and perhaps he will (only) be observed for some time.

But the situation with Iranians is completely different as far as the attitude of the British authorities is concerned, just as it is different with respect to returning to Iran, which means quite clearly the end of life even if the particular Iranian has committed no crime or engaged in any hostile activity. They usually say the person coming from the West was brainwashed and that their Islamic society does not need such an individual and that it is better to get rid of him.

All we can say is that the last 6 months witnessed the departure of 12 Iranians from Britain. Six were able to go to other countries. As for the other six, two were executed, three were imprisoned, and only one escaped (because) the authorities were unaware of his return.

It is said the British attitude derives from important questions: How do we know that a given person needs political asylum or that his life would be in danger or that he is telling the truth?

The way to answer such questions or logic is to ask our own question: How are we to determine that he is lying and that his life would not be in danger?

Before concluding our story, we must mention another matter no less important than the refugee issue--and it also concerns Iranian students. The Iranian government has halted the remittance of living and tuition expenses to Iranians studying in Britain who are estimated to number 30,000. About 2000 are estimated to be in the last years of their studies under the supervision of the government. Six hundred will be allowed to continue because they are either supporters of Khomeini or they are working for the Iranian embassy in London or are members of the Muslim Students Organization. As for the other students, they were informed by the embassy that Iran doesn't need their

diplomas or their education in medicine, science, or engineering and that the study of Islamic sciences (in Britain naturally!) or return to Iran is what is desired.

The British government has promised to look into the problem of the Iranian students and try to avert the dangers from a return to Iran.

5214

CSO: 4604/47

KHOMEINI AGAIN APPEALS FOR PEACE AMONG CLERGY

London IRAN PRESS SERVICE in English 19 Aug 82 p 2

[Text] Ayatollah Khomeini appealed again this week to the clergy to give up the wrangling and disputes between them which were threatening the Islamic republic. While it was obvious he had disputes nearer home in mind, he referred to those in Sistan and Baluchestan, near the Pakistan border, and Kermanshahan, now called Bakhtaran, where Iran has big Sunni communities. Unrest is widespread in both areas.

Khomeini's remarks reflect the growing concern in Tehran over the unrest, particularly in the west of the country where fighting between pro-government and dissident forces breaks out almost daily. The fear that Shiites backing Khomeini's rival Ayatollah Shariat-madari in Azarbaijan could join with the Kurds and other opposition groups in a regional uprising are strong.

The trial of former foreign minister Sadegh Qotbzadeh is seen by some observers as designed to arouse public resentment once more against Shariat-madari and other opponents. Some observers were sceptical of the report that 70 officers had been executed following information given by Qotbzadeh. They suspected it was spread by opposition groups or someone wanting to discourage the armed forces from fighting in Iraq.

CSO: 4600/751

OTHER OPPOSITION ELEMENTS FIGHTING ALONGSIDE KURDS

London IRAN PRESS SERVICE in English 19 Aug 82 p 3

[Text] Kurdish gunmen have once again struck at the Islamic revolutionary officials in the Piranshahr area close to the Turkish border. Earlier a group of anti-Khomeini fighters armed with grenade launchers and machine guns had attacked revolutionary guards around Miandoab.

The group attacking Piranshahr actually entered the small township, encircled the Construction Crusades building, and ordered occupants out. They then meticulously brought out copies of the Koran, before destroying propaganda materials and setting pictures of Khomeini on fire.

Later they toured the town and tore down all the pictures of Khomeini which were pasted on walls and other places. As they chanted songs and tore down Khomeini's pictures groups of people applauded them. Some reports said the attackers rounded up a few bearded officials and forced them to spit on Khomeini's pictures before tearing them down. Revolutionary guards had already left the town before the attackers took over.

Reports say the attackers included several defecting army officers as well as some followers of the Pan Iranist party and monarchists. They made a point of telling the people that they represented many groups who were all united in their opposition to Khomeini, whom they described as a traitor to Iran and to Islam.

When revolutionary guards arrived with reinforcements they were ambushed by another group keeping vigil. Islamic officials said their forces managed to escape unscathed from the ambush. Officials accused the attackers of having set copies of the Koran on fire, but residents have denied this charge.

Tehran papers last week had several reports on engagements between revolutionary guards and Kurdish fighters. In one report Kayhan said 12 members of the Qomleh were killed in a battle near Marivan. In another report in the same issue Kayhan said that revolutionary forces beat off an attempt by monarchist Kurds to occupy the township of Bukan. On another page in the same issue the paper reported briefly the attack on Piranshahr and finally it had a report that five "insurgents" were captured and brought to Rezaieh, where they were executed.

For the first time the Tehran papers have begun printing news of "royalists" among Kurdish fighters. Kayhan and Etelaat reported last week that two royalists were captured in a battle near Kermanshah and executed in the city on the orders of revolutionary judges.

In an interview with Kayhan the Friday prayer leader of Rezaieh (now officially called Urumieh), Mullah Hassani, said that in the area between Maku and Khoy in West Azerbaijan, the towns were under the control of the Islamic authorities while the open country was "invaded" by counter-revolutionaries.

"We control the cities but not the countryside," he said. "Also, royalists and followers of Bakhtiar are entrenched in the border areas. Generals of the Shah are in league with elements of Bakhtiar and Ghassemloo fighting us in these areas."

Mullah Hassani, a gun-toting cleric who was notorious as an outlaw himself and became a mullah only after the revolution, said the government should not wait for the war with Iraq to succeed before clearing the area of counter-revolutionaries. "We must act now," he said.

He also blamed Ayatollah Shariat-madari for the increase in counter-revolutionary activity in West Azerbaijan. "It costs money to live as rebels," he said, "so these counter-revolutionaries must be getting their money to live as rebels from Shariat-madari's followers."

CSO: 4600/751

SAUDIS WARN TEHRAN OVER MECCA 'PROPRIETY'

London IRAN PRESS SERVICE in English 19 Aug 82 p 4

[Text] Saudi authorities, alarmed by Khomeini's decision to appoint a fiery revolutionary mullah to lead Iran's pilgrims to Mecca this year, have begun preparations to forestall any possibilities of trouble-making.

Last week the Saudi charge d'affaires in Tehran met foreign ministry officials to remind them that pilgrimage rituals were to be observed as strictly religious events, and not as a platform for political activities.

However, Khomeini has already instructed his appointee, Mohamad Mussavi Khoyinia, that he should use the occasion to promote Iran's revolutionary aims and draw attention to events in Lebanon and the invasion of Afghanistan among the pilgrims. He has also said that those who try to stress only the religious side of pilgrimage and prevent the occasion from becoming a political rally are "American stooges." This was a reference not only to Saudi officials but to all the secular regimes in the Islamic countries.

The appointment of Khoyinia, nicknamed the red mullah, as the leader of Iranian pilgrims, has already led to major developments inside the country. Several caravan organisers--people who cater for the basic needs of the pilgrims during the pilgrimage--have already been barred and new people given their licences to act as caravan leaders. A number of ordinary Iranians have decided not to go to Mecca this year because they believe the appointment of Khoyinia as their leader will involve them in events they feel are both against their beliefs and humiliating.

However, Khoyinia has got down to work to mobilise his "army of pilgrims," as he calls Iranians going to Mecca this year, for the political task ahead. He has made preparations to organise his pilgrims in special "regiments," each regiment headed by a leader and supported by a propaganda specialist.

Last week he told pressmen in Tehran that he intended to direct all affairs of the pilgrimage mission personally. He also said he would appoint his own deputies, who would directly report to him. He welcomed Khomeini's directive in which he had written that all concerned should obey Khoyinia and follow his instructions.

"According to the Imam's directive I am the sole authority in control of affairs," he told pressmen. "Consequently, I intend to maintain order and unity of command and policy in this mission."

Khoyinia also said that in cases where the authorities in an Islamic country were opposed to the idea of using the Haj as a political platform, "then we will have to contact the people of that country directly." He indicated that specially trained pilgrims will hold seminars and conferences to inform pilgrims of other countries of the "political dimensions" of the pilgrimage.

Earlier, in an interview with Kayhan newspaper, Khoyinia said Iran should always be on the offensive in its foreign policy. "We have something which we must export. We have this revolution which we must present to other nations, so we must be on the offensive," he said.

On methods of exporting the revolution he said Iran should be flexible. "With regard to one country we can achieve our aims by going directly to the people, by-passing their governments. In the case of another we must maintain close links with their government, though this does not mean that we would sever our links with the people," he said.

In his interview Khoyinia said that the United States created Israel in 1948 as a fortress to fight Islam. He said at that time the Americans were aware of the emergence of Islam, so they created Israel on the one hand and established their stooges in Arab countries on the other so as to have enough power to fight the emergence of militant Islam. As to the Soviet Union, he said, because of their stupidity and failures the Kremlin leaders had lost the battle of domination over the Middle East to the Americans.

CSO: 4600/751

# CRUCIAL AYATOLLAH'S HEALTH DETERIORATES

London IRAN PRESS SERVICE in English 19 Aug 82 pp 5, 6

[Text] Senior theologian Ayatollah Golpayegani was reported last week to be seriously ill. On orders from the government a number of specialists are attending him.

Golpayegani, who is in his 80s, has given the Khomeini regime his support and several of his relatives are said to be influential figures in the theocracy. Khomeini, who is junior to Golpayegani in the strange world of the Shiite theologians, has given orders that the fundamentalist ideas so beloved of this theologian should be taken note of in the conduct of affairs in the Islamic Republic. The persecution of Bahais is partly because of the influence of Golpayegani, it is felt in Tehran.

However, his cooperation with Khomeini has cost Golpayegani dear, as thousands of his religious "moghaleds," or followers, have turned against him. In Germany Iranian merchants who at one time followed him have now openly criticised his attitude to Khomeini. Indeed, because of this loss of support Golpayegani had lost considerable revenue in donations. Two years ago he was finding difficulty in keeping his theological school going; subsequently Bani-Sadr, as president of the Council of the Revolution at that time, arranged for him to receive funds from the treasury.

More recently President Khamenei has managed to enlist Golpayegani's support for his plan to set up a "leadership council" to take over the velayat-e-faghih authority in case of Khomeini's death. The council is to have three members--Golpayegani as the senior theologian, Khamenei himself, and Ayatollah Montazeri, Khomeini's supposedly nominated successor.

If Khomeini survives Golpayegani, it now seems the fate of the leadership council is not certain. Khamenei had been counting on the seniority of Golpayegani to counter the still powerful influence of another senior theologian, Ayatollah Shariat-madari.

Despite orchestrated attacks on Shariat-madari, the fact remains that he still enjoys wide public respect among religious people, and is additionally widely admired by not-so-religious Iranians for his refusal to

either fall prey to Khomeini's intimidation or bribery. As a result Shariat-madari will always be a thorn on the side of the regime in its efforts to set up a complaint council of paramount theologians.

If Golpayegani's condition deteriorates so badly that he cannot participate in the leadership procedures this would be as much a blow to the government as his death.

CSO: 4600/751

ATTACK ON TABRIZ MULLAH

London IRAN PRESS SERVICE in English 19 Aug 82 p 6

[Text] Two gunmen, believed to be two junior officers who deserted the army in December 1979, are reported to have attacked Khomeini's representative in Tabriz, Ayatollah Mohsen Malakouti, last Friday. The officers threw a grenade at Malakouti's car but he escaped unhurt.

The attackers managed to escape amid the confusion created by the explosion. However, it is believed that the Islamic authorities have learned who the two are and are now trying to track them down.

Malakouti, who was said to be shaken by the attempt on his life, was a small-time preacher before the revolution. But his work on behalf of Khomeini in 1978 meant he achieved some power after Khomeini's arrival. He was appointed to the important post of Friday prayer leader in Tabriz following the assassination of the last holder of the position, Assadollah Madani.

Scores of Friday prayer leaders have been assassinated, the most important of them being Madani of Tabriz, Dastghaib of Shiraz and Sadoughi of Yazd. The then Tehran Friday prayer leader and now president Khamenei, escaped an attempt on his life last year.

CSO: 4600/751

MINISTRY FOR HOLY WARS (JIHAD) TO BE CREATED

Tehran JOMHURI-YE ESLAMI 29 Jul 82 p 4

[Speech by Minister of Interior Nateq-Nuri]

[Text] Tabriz--Hojat ol-Eslam Ali' Akbar Nateq-Nuri, the minister of interior, visited the central revolutionary committees council and in announcing the creation of the ministry of Holy War said: "In the charter of the revolutionary corps and crusade, for each of these revolutionary organs, one minister has been anticipated."

In this visit, the minister of interior, in respect to the duty of the committees in face of the Islamic Republic said: "The policy of the Majlis, in regard to revolutionary organs is that these organs be connected to the Majlis in some form, in order for the Majlis to be able to supervise their activities. Therefore, in the charter of the revolutionary guard corps and the reconstruction crusade, for each of these organs, one minister is anticipated. Also, the martyr foundation will be placed under the ministry of social welfare and revolutionary committees will be under the ministry of interior."

The minister of interior then talked about the activities of the committees and said: "Like the Guard Corps, which is independent, but acts in accordance with the army, the general policy of the ministry of interior is that the committees work along with the police department, independently, but in complete concordance with the police."

The report indicates that Hojat ol-Eslam Nateq-Nuri and his entourage then participated in the joint session of the officials of revolutionary organs of Tabriz and the chiefs of 39 centers of the reconstruction crusade of East Azerbaijan. In the meeting, the minister of interior talked about the results achieved by the Islamic Republic and answered questions.

The minister of interior in his speech called the acceptance of responsibility in Islamic government God's blessing and emphasized coordination between the revolutionary organs and said: "All the revolutionary organs and the responsible authorities of government administrations are servants of the people and in their work must protect the unity, exaltation and spiritual purity of the revolution and put aside any kind of differences."

He added: "If we spent a billion rials to create such a coalition between the corps and the army, we would never have succeeded. But in the shadow of God's blessing, the unity between the guard corps brothers and army has been attained in the best manner and at present the joint staff command of the army and corps are meeting."

9815

CSO: 4640/435

ESFAHAN HOLDS ONE-DAY ECONOMIC PLANNING SEMINAR

Tehran JOMHURI-YE ESLAMI in Persian 31 Jul 82 p 9

[Text] Esfahan--Islamic Republic reporter: A one-day seminar for members of the planning council and committees of the province started its work last Wednesday at 7:30 AM in Esfahan University's Dr Shari'ati auditorium. First, a few verses from the Koran were read, and then the president of Esfahan University talked about the need for planning and the contact between the university and the executive organizations and emphasized that: "The universities in the Islamic Republic must be at the service of the people and the sublime goals of Islam, and must be aware of executive affairs." He also pointed out that: "In planning, the deprived regions and the deprived classes of people must be kept in mind so that God forbid, the deprived do not get more deprived."

Then the chief of the governor's office of Esfahan thanked the members of the planning committees for their activities and said: "During the past six months, this committee with its efforts and perseverance, has succeeded in achieving some stages of planning at an acceptable and desirable level." He emphasized: "The coming month is the most sensitive opportunity during the whole process of planning and the members of the committees must make sure that all the programs and plans are suitable to meet the needs of the deprived and fighters of Iran, and in the meantime, with God's help, desirable plans suitable to the dignity of the Islamic republic will be prepared." He also emphasized: "The Islamic directive of planning must be kept in mind and efforts should be made not to offend this goal."

Then the chief of the plan and budget organization of Esfahan province in congratulating the victory of the brother fighters at the front, emphasized: "Our beloved fighters expect us to work incessantly to achieve the Islamic Republic's goals and especially to defeat the economic sanctions." He added: "The planning process enjoys a special importance in finding economic methods to be independent and in these last stages, is our recent month program." In planning the projects, the main point is presenting them to the headquarters. We must also appoint a representative to study and approve the division and regional plans and this is the main task of our recent month. In planning, the important point is that we try to dismiss the plans that the previous regime has drawn up for us and use new thoughts as a foundation to achieve independence. Esfahan Province has been among the provinces that have performed their job in the best manner and it is expected to complete the stages

successfully too. The committees in the first step of planning, prepared the present affairs of the province and in a recent meeting of the officials of the plan and budget organization with Hojjat ol-Eslan Vaal-Moslemin Hashemi Rafsanjani, the prepared report of Esfahan has been presented to him as a desirable report. We hope in this stage also to be able to propose better projects to the central office." He also referred to the words of the martyr Dr Beheshti and said: "The task of planning like other activities, must be continued with hope for its final success." He then referred to the progress of the committees in the province are the highest source of decision making in their own department. Even in the current affairs, full assistance has been requested from some committees."

At the conclusion of his talk, he referred to the time limit of the continuation of planning and said: "To continue the planning work, four basic tasks must be fulfilled: First, all the provincial and district plans must be prepared to the Majlis by 12 December 1982. Second, the budget of different institutions must be prepared according to the presented plan and be presented to the Majlis on 20 February 1983. Third, the unfinished work must be completed and acceptable projects, human resources, and necessary machinery must be specified in order for the plan to be continued. Fourth, the new order for execution of development projects must be prepared by 22 November 1982. The order is based upon the views of the innocent martyr Dr Beheshti, and the experiences of the reconstruction crusade, relying on trade and technical cooperatives, which will be established by the banks. With God's help in fulfilling the above activities, the plans will be ready for implementation at the end of the year."

Then the participating members of the seminar were divided into four working groups to discuss the problems mentioned in the seminar and presented suggestions to the responsible authorities. The seminar ended at 3:00 pm on Wednesday.

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CSO: 4640/435

# EXPANSION OF HIGHWAY SYSTEM IN FARS REPORTED

Tehran JOMHURI-YE ESLAMI in Persian 31 Jul 82 p 9

[Interview with Mr Arya'ipur, managing director of the Department of Roads and Transport, Fars Province]

[Text] Shiraz--The Islamic Republic reporter--During a press interview, brother Arya'ipur, managing director of the department of roads and transport of Fars Province, talked about work priority in the current year, road maintenance and construction of rural roads, and other plans.

In answering the question of one of the reporters in regard to the priority of the work plans in the current year he said: "Before the victory of the Islamic Revolution, the duty of the road department was only the maintenance of the roads, and that was done poorly. After the victory of the revolution, due to the urgent need to construct rural roads, attention was focused on their construction. Since the existing roads caused difficulties from the middle of 1981, half of the plans were made toward maintenance of the existing roads and the other half for construction of new roads."

He called the new programs of 1982-1983 the fulfilling of the unfinished projects and said: "In 1982-1983 priority will be given to those rural and urban roads which are determined by the road and transport committee, and they will be implemented."

In regard to difficulties he said: "The problems of this office are the extreme distances and the lack of access to the remote regions of the province like Lar and Lamard. We anticipate more activities in those areas and we plan to use the areas technical forces. We will use all efforts to make the deprived regions self-sufficient by winter. Now, most of this office's projects are carried out in the cold and mild regions of the province. In the winter we start our activities in the hot regions."

Engineer Arya'ipur, in regard to the construction of the Shiraz-Takhte Jamshid-Abadeh Road said: "This road should have been constructed a long time ago, and the mark of oppression of the previous regime is clearly distinguished in this road. They have constructed only the first 50 kilometers of the Shiraz-Takhte Jamshid road for use in their so-called famous celebration, but they

have not paid any attention to the rest of the road from Takhte Jamshid to Shahreza which concerns the people. Fortunately, the ministry of road recently signed a contract for the construction of the new road from Surmaq to Takhte Jamshid in four parts. This first rate road, with God's help, will be finished over the next three years. The new road is in the vicinity of the former road."

He named the other main roads of the province under construction like Kavar-Firuzabad road, the road between Jangal to Kuhband-Darab and Bandar 'Abbas. This road is being constructed according to up to date technical methods and has two tunnels, and a few bridges.

The managing director of the department of roads and transport of Fars Province then referred to the project for establishing the road from Shiraz to the Persian Gulf and said: "A project recently has been studied in the technical high council of the ministry of roads, and this road will connect the route of Bandar 'Alavieh via Bandare Taheri, Jariz, and Firuzabad to each other. With attention to the construction of the Kavar to Firuzabad road, the continuation of the route will start from Kavar and after passing east of Sarvastan and Kharamah, will be connected to Soyuneh. This is a long term project. With the construction of this road, the traffic between the ports and cities of Johrum-Fasa-Estehban-Darab to Shiraz will be reduced considerably and instead of going through Shiraz to Tehran, this road will be used and the distance will be shorter."

The managing director of roads and transport, in announcing the start of the Shiraz beltway said: "This road, with 50 kilometers length, 7.6 kilometers width and 7 bridges, 3 suspension bridges and one tunnel, will start in the village of Akbarabad and will pass through the areas of Kushk, Bidicheh, to the villages of Bezin and Hoseynabad and the hills beyond Ma'aliabad, north of Kashn village and the wool and glass factory and the south of 'Adelabad prison and north of Katbaseh village, and south of Golestan Daalrahme and east of the Coca Cola plant, and the road of Kaftarak village and the small town of Sa'di. With the construction of two tunnels of 1600 kilometers in length, it will be connected again to Akbarabad. The beltway is in the process of being paved."

In conclusion, he mentioned the activities of this office during the imposed war at the fronts, with the formation of gravel roads, delivering ammunition and materials, and construction of supply roads and added: "In this respect, we have presented the revolution with one martyr, one handicapped, and six injured."

In connection with the notice of the national inspection organization which was published in one of the afternoon papers on Wednesday, 24 June 1982 said: "According to the statements of the responsible authorities of the Shiraz Islamic Revolutionary Court and the province's General Auditing Office, Abdollah Foruzanfar, deputy chief of the administrative and financial office and Abdolrasul Rahimpur, chief of financial affairs, were charged with embezzlement and were arrested March of last year and were imprisoned. With

the arrival of the national general reconstruction inspection mission to Shiraz, this subject was examined and finally, sometime ago, a notice was issued by the national general inspection organization to expel the two above mentioned persons. Unfortunately, the reporting of the news in the press indicates that the managing director of the Fars Province is guilty. This report was denied by the national general inspection office, but unfortunately, the mass media, did not take any steps to deny this report. They really have been negligent in this regard."

In conclusion, he set forth the revenue operations of this office and said: "During last year we had an increase and added: In 1980-1981, 350 kilometers of secondary and rural roads were constructed and the roads under construction were 600 kilometers and the used credit has been around 65%. In 1981, 3.0 kilometers of secondary and rural roads have been built and 938 kilometers of roads are under construction. The total special credit was 1,865,000,000 rials of which 78% has been used. In 1982, 120 kilometers of secondary and rural roads have been built and 950 kilometers of roads are under construction. In regard to the road maintenance projects of the year 1980-1981, 21,000,000 rials has been spent. In 1981-1982, 30,000,000 rials has been spent and in addition, 130,000,000 rials of credit from other sources like the ministry of roads or tribes projects and others have been used. In 1981-1982 a total of 1,750,000,000 rials have been used for all projects. The amount of existing asphalt paving in 1980-1981 has been around 70 kilometers and in 1981-1982 around 100 kilometers and in 1982 around 50 kilometers."

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CSO: 4640/435

# AHVAZ STEEL ROLLING MILL INCREASES PRODUCTION

Tehran ETTELA'AT in Persian 5 Aug 82 p 4

[Interview with a mill manager]

[Text] Ahvaz--By making use of a second furnace the Ahvaz steel rolling mill will be able to increase its sheetmetal production from 140 thousand tons per year to 250 thousand tons per year in 1983-1984.

An official of the Ahvaz steel rolling mill announced this in an interview with ISLAMIC REPUBLIC NEWS AGENCY's correspondent, and said: About 80 percent of the work in installing this furnace has been completed. In the future more effective steps will be taken to increase this mill's level of production. While expressing appreciation for the unsparing efforts which were able to repair and reactivate the damaged parts of this mill during the past month of Shahrivar [23 Aug-22 Sep] after reoccupation under a torrent of fire from Saddam's infidels, he said: This mill, which had been temporarily closed down because of the imposed war, resumed operations after the reoccupation in the daytime only due to the fact that it was impossible to operate at night. After the victorious operation Jerusalem, in which the enemy was driven out of the area and the steel mill was out of range to enemy fire, this factory as well as the ammunition factories began operating and producing at night.

The result is that the Ahvaz steel mill has just about been restored to its original state and can raise its production to the level of 1977-1978 and the years prior to that.

## Heavy Repairs

He added: The very heavy and bulky repairs which were carried out through the efforts of the brother workers in the areas of furnace repairs, basic mechanical repairs, repairs on the preliminary and finishing rollers, the aerial cranes, the BC motors, fuel storage facilities, electrical control systems, gas and water delivery systems, and the other installations in this mill which were damaged by Saddam's artillery, mortars, and bombs were very valuable and vital to the work of renewing the mill. At the present time all the mill's production lines, including the ribbon line, the two-inch and six-inch pipe lines, the galvanizing unit, the finishing machinery, the production line for oil pipes, the third production line for pipes from 3/4 inch to four inches, and along with that the supplementary units such as the water distribution

system, the supply office, shipping, and others are all operating. Referring to the fact that the Ahvaz steel rolling mill has no plan other than a plan to expand another unit which has not begun, he said: The expansion plan, which was halted prior to the revolution because the foreign contractors left, has recently been pursued to some extent, and we are continuing this work.

#### Building Spare Parts

He added: Expansion plans include a sheet-washing line, an electroplating unit, and a sheet-brushing line which will be able to do a finer brushing on every sheet produced by the steel rolling mill and also will be able to brush broad sheets which come from abroad for other factories.

With regard to methods of procuring spare parts, especially with the onset of the imposed war, he said: We were faced with a shortage of spare parts after the war, and many instances came up when we changed parts and electrical circuits, but now with the renewed activities of the repair and renovation shops as well as the creation of the office of planning and self-sufficiency, the brother workers make the spare parts that are needed. Considering the fact that these brothers were also strikingly active before in the manufacture of spare parts, efforts will also be made to make the most necessary spare parts possible with the creation of a planning and self-sufficiency office in the factory. He said concerning this mill's contracts with foreign countries: We had contracts with Germany in the expansion plan which have been practically abandoned, but we have no debts and they are ready to come at any time we wish and resume working.

The mill has stood on its own two feet.

He added: The Ahvaz steel rolling mill is the only factory that has received no financial help from the government from the start of the war until today, and it has stood on its own two feet even though it didn't produce for about a year and a half. Of course we have had problems during the war because of a shortage of rials and currency which kept us from being able to pay worker salaries. After the mill started up, however, some of that has been made up, and more will be made up soon. And praise God, if our production situation continues to improve as it is now, we will come out of our financial difficulties. At the same time we must say that we have enough raw materials to last about a year and a half and the necessary projections have now been made for buying raw materials.

At the conclusion of the interview he said concerning the main problem of the workers of this mill: Our main problem is the stopping of the classification plan and the problems we have because of this plan and its deficiencies. We hope a comprehensive plan will be prepared which can solve the personnel problems that we now have.

## SEVERE LOSSES TO LIVESTOCK ATTRIBUTED TO PESTS, NEGLECT

Tehran JOMHURI-YE ESLAMI in Persian 1 Aug 82 p 9

[Text] Economic Service--The corrupt former regime, which pulled the economy into the abyss of ruin in all areas including agriculture, transformed this country, which was capable of providing for its own domestic needs agriculturally as well as exporting crops to foreign countries, into an importer of a great many agricultural products. After the victory of the Islamic revolution and the rise to power of the Islamic Republic, the time had come for us to come out from under the yoke of colonialism in all political and economic areas and become self-sufficient. One of the Islamic Republic's goals was to loosen the ties of dependence as much and as quickly as possible in order to attain independence. Clearly, these high goals cannot be attained without revolutionary and principled procedures, long- and short-term plans, and the endurance of the difficulties, shortages, and chaos arising from the past, the imposed war, and the economic embargo. Agriculture is one of the main pillars of the country and the advancement and expansion of agricultural crops must be stressed. After agriculture, the raising of livestock has a special role in our economy because it is one of the sources of procuring the country's basic food supplies. Our livestock industry, which once enjoyed a good reputation and supplied the country with meat, is now faced with danger and destruction. In order to return to better days it will be necessary to expand the livestock industry and to do it quickly, and to give new life to traditional animal husbandry by strengthening the resources in the villages and encouraging and persuading the villagers. When we speak of resources naturally we are talking about all facets of animal husbandry and livestock breeding, including the procurement of feed and veterinary care, for these resources are complementary. Simply giving out loans and feed will not strengthen the livestock industry. All resources must be provided in close proximity to one another so that they can all be used in a good way. One of the frequent problems in the livestock industry is disease among animals. If guarantees could be given as to the procurement of specialized livestock needs (veterinary care) to the stockkeepers, an important function could be fulfilled in the country's economy and the villagers would proceed with their stockkeeping with more confidence. Concerning livestock diseases, veterinary care, and unchecked livestock losses in the Gonbad and Torkoman Sahra area our correspondent spoke with brother Dr 'Ali Danesh, Gonbad veterinary clinic expert, and a summary of the interview appears below:

Last year, with the spread of mucormycosis, and brucellosis in the Gonbad and Torkoman Sahra areas, there were about 300,000 miscarriages due to the shortage of technicians and veterinarians which caused irreparable losses in the area. After that there were other diseases such as anthrax and parasitical diseases that caused more losses. In addition to the diseases noted, this year, because of drought and the lack of Spring rains the pastures have been dry and stockkeepers have been faced with a shortage of feed and forced to take their herds to mountainous, non-native areas.

Because of the lack of livestock immunity to the new diseases in the area and the non-native pests, the livestock was exposed to yellow fever which caused very high losses to the area's stockkeepers.

Because of the shortage of veterinary personnel and the large number of livestock in the area there was no way to test the blood and milk of the stock and as a result every day thousands of liters of milk were given to the people that gave them severe cases of tuberculosis and Malta fever.

Health network statistics (not including diseases reported to private doctors) show more than 75 cases of Malta fever in March, April, and May, many cases of anthrax were observed, and there were also confirmed cases of rabies reported every week. These diseases are instances of hundreds of diseases shared by human beings and animals which have threatened residents of the area and must be brought under control by veterinarians.

Livestock diseases on the one hand and diseases common to humans and livestock on the other oblige us, who are legally and morally responsible in this area, to find a basic idea for a solution to this and make a speedy decision in order to take care of this problem. In general the veterinary problems have three main causes.

The explanation of the first cause is that sometimes, some matters which are only for specialists are not entrusted to people who are competent to express an opinion in matters of health care and health treatment.

The second cause is the shortage of vaccination specialists, and specialists in livestock treatment and testing. Unfortunately only a very small number of the veterinarians in the country join the veterinarians' organization. Most of them go into the private sector, which they like better.

In connection with this matter of the shortage of schools for the training and teaching of veterinarians and technicians may be mentioned, and while the country needs at least 4,000 veterinarians, there are only around 260 veterinarians working in the entire veterinarians' organization.

The third cause is the shortage of facilities such as automobiles, laboratories, laboratory equipment, and enough buildings in which to deliver veterinary services to villages and tribal stockkeepers.

Last year we were only able to deliver 2,200,000 vaccinations through the efforts of veterinary personnel and the brothers in the reconstruction crusade for the area's livestock, and in comparison to our goal of 24 million vaccinations this is a very insignificant figure.

Last year the veterinarians' organization sent eight automobiles and four insecticide pumps to spray the livestock and prevent yellow fever. It sent films about the same problem, and dispatched a number of teams to the area, which were truly effective in controlling the area's sicknesses. Unfortunately, despite a great many requests that were made to that organization, due to the lack of freedom of operation more and more effective help was not possible.

Last year the reconstruction crusade, in addition to building a central veterinary clinic in Gonbad, built clinics in Aradshahr, Minudasht, Kalaleh, Moraveh Tapein, and Khan Bebin and it made livestock treatment available to the stockkeeping brothers in the livestock-breeding areas, which greatly reduced losses. This year the reconstruction crusade is setting up veterinary posts in Gildagh, Dasheli Borun, and Karand, all deprived areas heavy with animal stock. God willing, they will go into operation by the end of the year through the efforts of the joint reconstruction crusade and veterinary committee.

Our requests are that the rapid elimination of diseases common to humans and animals such as rabies, Malta fever, cattle cholera, gangrene, ovarian cysts, Aleppo boil, cowpox, which are posing a serious threat to the area, be carried out as quickly as possible and that a solution to this problem be found as quickly as possible.

A second request is the expedient control of livestock diseases which are very numerous and must be identified as quickly as possible, and a suitable vaccine procured and injected into the animals.

The area's important diseases at the present time are mucormycosis, anthrax, yellow fever, internal parasites, to a great extent and to a lesser extent gangrene, and cowpox.

Veterinary laboratories must be activated in order to identify unknown diseases so that secondary steps may be taken.

In order to accomplish these things there is a need to attract committed specialists in the framework of an independent organ with freedom to act which is the equal of that of a public health organization so that with creative cooperation from the reconstruction crusade they can take steps to solve difficulties with complete authority. In addition, a basic and sufficient budget must be allocated to this organization so that it can uproot diseases common to humans and animals and put a stop to unchecked livestock losses, because these very losses are causing the importation of great quantities of meat every year while if we could make veterinary services available to livestock keepers quickly and on a reliable basis we would even be able to export meat. The hope is that with the help of God and the commitment of specialist forces we will be able to take serious steps towards raising the level of the livestock industry in the country by reducing losses.

In conclusion we will mention the things that were done last year with help from the brothers in the reconstruction crusade. These statistics have not pleased us and must be increased at least by 12 times.

1. 2,150,000 vaccinations of animals
2. 2,200,000 vaccinations of birds
3. 1,200,000 animals cured in clinics
4. 400,000 birds cured in clinics
5. 20,000 prescriptions filled
6. 180 surgical operations performed in the Gonbad veterinary clinic.

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CSO: 4640/437

JOURNALIST SCORES WESTERN OBJECTIVES TO UNDERMINE ISLAM

Manama AL-BAHRAIN in Arabic No 669, 7 Jul 82 pp 18-19

[Report on Press Conference with Isma'il al-Shatti, Editor-in-Chief of the Kuwaiti Magazine, AL-MUJTAMA': "The West Is Out To Destroy Islam"]

Text] On his first visit to Bahrain, having been invited to visit that country by the Islamic Society, Mr Isma'il al-Shatti, editor-in-chief of the Kuwaiti magazine, AL-MUJTAMA', delivered two lectures about extremism, negligence and contemporary hostile challenges that stand in the way of the call to Islam. He also spoke about the effect that extremism, negligence and contemporary hostile challenges have on the Islamic awakening which the Islamic world is experiencing today. A press conference was held during which some questions were asked and inquiries were made, particularly about what has been taking place on the Islamic scene today.

The first question that was asked was about these serious conditions under which the Palestinian Resistance is being slaughtered and new conditions, which undermine the Islamic course, are being imposed on it. Mr al-Shatti said, "I believe that when the Lebanese problem began in 1975, its basic central point was the liquidation of guerilla activity. After all Arab borders were closed to [our] Palestinian brothers, Lebanon was the only country they had left. Due to political conditions in Lebanon and due to special conditions pertaining to the capitulatory settlements that occurred, Lebanon remained the place for the part that was left of the Palestinian problem. The political climate in Lebanon had been set up for the slaughter of Palestinians: hence, the recent Israeli invasion and the siege of Beirut. The Zionist gangs expected to complete their operation in a few days, but they were surprised by the fact that the Palestinians were a force that could not be ignored. Palestinian tactics countered Zionist tactics. It surprised the Israelis to find out that the violent war they fought with the Palestinians for more than 20 days would end only with the invasion of Beirut. This would mean that thousands more civilians would die. What is happening in Lebanon today represents the ultimate in documenting the shameful weakness and surrender to the Zionist enemy."

The second question was about the enemy's strategic objective in striking Islam, in occupying new Muslim territory and in establishing a Christian state that would serve the purposes of the aggression.

To that question Mr Isma'il al-Shatti replied, "I would like to say that Lawrence of Arabia, who came during the days of the Arab uprising that occurred in the administration of al-Sharif Husayn before the fall of Sultan 'Abd-al-Hamid, said the following in his book, 'The Seven Pillars of Wisdom: 'The West and the Christian world in general can control the Islamic world by establishing a Jewish state in Palestine, a Maronite state in Lebanon, a Druze state in Mount Lebanon and an 'Alawi state in Syria.' "

Commenting on Lawrence's statement Mr Isma'il said, "Features of this statement that was made before the fall of the Ottoman Caliphate can be seen clearly today. There is a possibility that the Zionist state will be surrounded by a group of ethnic or sectarian states to weaken, break and destroy the throbbing heart of the Islamic world and to attempt to create permanent and continuing unrest in it. Thus, the formation of sectarian states is an old plan. Global Christianity and communism have been waiting for everything to fall into place for the implementation of this plan. Today, a material world that is fragmented makes oppressed people willing to accept that plan to ward off the continuing disasters that come their way. They are also willing to accept the regional and ethnic biases and chauvinism that are tearing them apart."

Mr al-Shatti was asked a question about the most notable contemporary challenge that stands in the face of the Islamic nation. The guest replied, "Western thinkers and orientalist warned the West about the Islamic giant. Most of them asked western countries to become aware of this danger and to face it. They did not say that the danger was the result of oil; they said that it was rather caused by the authentic Islamic thought of the Islamic world. It is this Islamic thought that illustrates the real and the great uprising. Western thinkers and orientalist want to get rid of this power wisely. As David Hurtz, commentator for THE GUARDIAN says, 'The Islamic awakening is an accurate yardstick of secular fraud in the Islamic world. But the United States must treat that wisely.'

"The present challenge then lies in the fact that the United States is using all the means it has to desensitize and repress the Islamic Movement. This [course of action] was recommended by the (Shiloh) Institute in a study prepared by one of its specialists. [The author of that study] stated that the present Islamic awakening represented a threat, and he cautioned the United States about a wise confrontation.

"All westerners know about the Islamic challenge they are facing. Therefore, they are making plans to confront this demographic growth that characterizes the Islamic world. In the year 2000 [it is expected that] the population in the Islamic world will increase by 50 percent. Young people will make up about 50 percent of the population. This is a large ratio that constitutes a threat, and plans are being made for confronting that threat with the partition and continuous fragmentation of the Islamic world. The Islamic world is to be transformed into small parts, and secularism and corrupt courses of action are to be firmly established among the nations of that world.

"Therefore, we must not be deceived by the Americans because they do not want us to progress. As former National Security Adviser Brzezinski, the author of 'the wise response theory,' says, 'We have to turn this religious awakening into something positive that would serve western and Israeli interests.' This is the

greatest challenge we must face. Muslims, therefore, must pay attention to [their] unity, and they must spurn regional biases. It is almost every 10 years that we find that part of the Islamic world has been cut off and a new state formed. This undermines Islamic power and Islamic cohesiveness."

Responding to a question about Muslim minorities, Muslim causes in [various] parts of the world and the misrepresentation of these causes because their Islamic character is concealed, the editor-in-chief of AL-MUJTAMA' said, "AL-MUJTAMA' Magazine has raised [the public's] consciousness about Islamic questions in the world. Despite the distorted political frameworks of the causes of these nations, these causes are basically Islamic. This was the case in Eritrea, in Chad and in Palestine. As a result [of these distorted political frameworks and these misrepresentations] these causes were shamefully impaired. It is the duty of Islamic countries that are not involved in these problems to support the Islamic framework of each one of them. The nations of the Gulf, for example, must support the uprising of Palestine, Eritrea, the Philippines, Afghanistan and the (Hatch) in Indonesia and elsewhere. All Islamic nations are being asked to do this, and proponents of these causes themselves are being asked not to fall for hollow slogans. They are being asked to proclaim the Islamic slogan from the very outset. Experience has shown that when leaders abandon Islam revolutions fail and causes collapse."

Regarding the question of Jerusalem the guest said that Jerusalem was now the foremost cause among Muslim causes. "[Our] enemies intended to place a Jewish state in Palestine and surround it with a group of sectarian states in this region in particular so as to deal a blow to the heart of the Islamic world as we stated. Those who are timid about proclaiming the slogan of Jerusalem and are proclaiming that of the land or other slogans are clouding their cause. It is God, however, who is keeping the issue of Jerusalem on the scene. The stones echoed the sounds of 'Allahu Akbar' [God is great] chanted by worshipers in front of the enemy to break through the media blackout on this question. Attempts to conceal the Islamic nature of the battle are the most serious threat to the cause. The Palestinians themselves know that the Islamic character of the battle is mobilizing for them the energies and lives of 1 billion Muslims. The Afghani freedom fighter (Siyaf) regards the liberation of Jerusalem a matter of greater priority than the liberation of Afghanistan. Many other freedom fighters throughout the Islamic world are hoping for the day when they can go to Jerusalem and liberate it from the Zionists."

At the end of the press conference with Mr Isma'il al-Shatti, editor-in-chief of AL-MUJTAMA', the department editor thanked the guest on behalf of [his] male and female colleagues. We thanked him for his efforts in the field of advocating the True Way, the Islamic Way.

8/9/92

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## ANNUAL REPORT ON BANK OF MOROCCO ON STATE OF ECONOMY

Casablanca MAROC SOIR in French 5, 6, 9, 10 Aug 82

[5 Aug 82 p 4]

[Text] Agriculture

The importance of agriculture resides in the fact that it provides almost half of all jobs, is the sources of income for over 50 percent of the population, brings in one-fourth of the country's export receipts and finally, is the basis of most other economic activities. It exerts broad influence on relations with other countries because of the increasingly large share of food products involved in trade and affects the government's budget by virtue of the extent of investments needed for development and the cost of price supports.

Faced with growing needs born of the population expansion and an improvement in the standard of living, the government has stepped up action aimed at encouraging production. It has aimed its efforts at irrigation which, thanks to the construction of dams, now involves some 800,000 hectares. It has also engaged in agricultural extension work, distributed fertilizer and seed, and promoted the establishment of supply and product marketing cooperatives. In addition, it has guaranteed the prices of grain, milk and the main industrial crops and has set them at a sufficiently remunerative level. Important progress has therefore been made in seeking ways and means of achieving self-sufficiency in food products. However, results attained are still below goals.

For example, during the 1978-1980 period, only the demand for meat was met by local supplies, which provided the following percentages of other products: grain, 72 percent; sugar, 54 percent; milk, 50 percent; and edible oils, 18 percent.

Under such conditions, the government has been forced to import substantial volumes, with the resulting heavy burden on the trade balance, foreign exchange reserves and public finances due to the amount of money needed to subsidize basic commodities: 1.9 billion dirhams this year.

The 1981 results, affected by a severe drought, show that agriculture remains heavily dependent on climatic uncertainties which constitute a fact of life for any agricultural policy.

Based on 1969 prices, the added value of the sector dropped from 4,317,000,000 to 3.37 billion dirhams, down 22 percent, and its share of the gross national product went from 13.3 to 10.6 percent. Most variations in production were in dry farming areas where most grain is produced, while irrigation made it possible to reduce the effect of climatic fluctuations on orchards, industrial crops or early vegetables. In addition, the precarious state of livestock raising heavily dependent on nature for both food and water was underlined.

#### Grain

The 1980-1981 grain season was essentially characterized by marked insufficiencies and a poor distribution of rainfall, both in time and area. Following the early, average rainfall of September and October, permitting the planting of an area equivalent to that of the past season, precipitation was inadequate over the next two months. An exceptional drought then struck throughout the country with the exclusion of the northern and eastern regions, which enjoyed relatively good rainfall. Compared with a normal year, the water shortage amounted to 50 percent and occurred at critical growing stages. As a result, the late April rains could not save the already damaged crops. Production of the four main grains did not exceed 20.7 million quintals compared with 43.5 million during the previous season as a result of the vertical drop in yield: from 10.2 to 4.8 quintals. The volume of the harvest dropped 73 percent for corn, 54 percent for hard wheat and barley and 41 percent for soft wheat, production of which scarcely exceeded 2.8 million quintals. The overall drop was 14 percent.

In the face of growing needs for flour, whose price, supported by the government, remains lower than the cost of soft wheat, it was necessary to import 26.5 million quintals instead of the 17.8 million imported the previous year, for a total of 2.39 billion dirhams, up 78.4 percent.

Grain marketed between May and December 1981 by intermediaries approved by the Interprofessional Office for Grain and Leguminous Crops totaled 3.7 million quintals, down 25 percent compared with the same period in 1980. These transactions were carried out at prices increased from 125 to 135 dirhams per quintal for hard and soft wheat and from 92 to 96 dirhams for barley and corn, in keeping with decisions made by the government to compensate for the increases of 50 percent in the price of diesel fuel and 20 percent in the guaranteed minimum farm wage that occurred during the year.

The secondary grain crop totaled only 817,000 quintals, a drop of 34 percent from one year to the next. Likewise, exports, essentially made up of alpsist, went from 115,800 to 60,500 quintals, a drop of 48 percent.

#### Legumes

The lack of winter rain and shortage of early spring rainfall reduced areas planted by 20 percent and seriously affected the legume harvest, the lowest in the past 20 years. Production totaled only 667,000 quintals, compared with 2.3 million a year ago and yield was scarcely 2.2 quintals a hectare instead of 6. The bean crop, making up 58 percent of all legumes, dropped 63 percent

and harvests of other crops suffered even greater drops: 97 percent for peas, 86 percent for chickpeas and 71 percent for lentils.

#### Early Spring Vegetables

Inadequate rainfall and a succession of periods of wind, frost and high temperatures caused a substantial drop in production, which went from 430,000 to 300,000 tons in one year. The quality of the products was also mediocre. Exports were reduced 20 percent, totaling only 119,000 tons because of good prices on the local market and especially marketing difficulties encountered in EEC countries which, by greatly increasing the reference price, strengthened their own protection. This new development, in contrast with that of the previous season, prolongs the trend begun in 1975 and has caused authorities to encourage greenhouse crops so as to improve the quality of production and make it less dependent on the uncertainties of the climate and compatible with the schedules imposed by EEC markets, the main outlet for early vegetables.

Despite the drop in shipments, the total FOB export receipts: 335 million dirhams, have remained almost unchanged thanks to an increase in average prices. The volume of tomatoes shipped -- the main export item -- dropped 12 percent to 85,000 tons, while that of potatoes went from 43,000 to 28,000 tons, a 35-percent drop. France and the Federal Republic of Germany remain the main customers and absorb 98 percent of these products.

The drought and the freeze affected citrus production somewhat. With 1,015,000 tons, the drop was 6 percent, caused by a 12.4-percent decline in the orange harvest, which totaled 690,000 tons, while the harvest of small fruits went from 272,000 to 305,000 tons.

Amounting to 690,000 tons, the volume exported dropped 10 percent from one season to the next, mainly because of the reduction in orange shipments from 527,000 to 487,000 tons. In contrast, shipments of small fruits totaled 200,000 tons, an increase of 5.3 percent. The EEC and the USSR remain our two main buyers, purchasing 49.5 and 31.7 percent respectively. FOB receipts amounted to 1.17 billion dirhams, the same level as a year ago as a result of a 11.8-percent increase in average prices.

The domestic market absorbed some 321,000 tons instead of 265,000 tons the preceding season. Nearly four-fifths were consumed fresh.

#### Industrial Crops

Industrial crops were relatively safe from the effects of the drought thanks to irrigation. Although the area harvested dropped 10 percent from one year to the next, production of beets totaled 2,107,000 tons, down only 3.7 percent as the result of improved yields: from 34.5 to 37 tons a hectare.

The sugar cane harvest, involving 80 percent more land than during the previous season, totaled 621,500 tons and rose 65.6 percent, although per-hectare yield went from 93.3 to 85.8 tons.

Up 2.7 percent compared with the tonnage a year ago, the quantity of sugar extracted totaled 338,000 tons, nearly 85 percent from sugar beets. However, domestic consumption dropped 4 percent as the result of the slowdown in certain food industries, particularly carbonated beverages, and the price increase in June. Imports totaled only 310,000 instead of 42,200 tons, costing 1,054,000,000 dirhams.

The inadequate and poorly distributed rainfall ruined the cotton harvest in Haouz, seriously damaged it in Gharb and Doukkala, but had only limited consequences on Tadla, the main cotton region. Total production in 1981 was 187,400 quintals, compared with 218,100 quintals, a drop of only 14.1 percent.

#### Olives

The cold weather and freezes delayed the blooming of olive trees and hurt yield. The 1980-1981 olive season totaled only 277,060 tons, compared with 40,000 tons [sic] the previous year and the amount of oil extracted was only 23,000 tons, down 41 percent.

The 1981-1982 crop would total some 350,000 tons, according to initial estimates, permitting the extraction of some 30,000 tons of oil.

#### Oil-Yielding Crops

Despite a 85.7-percent expansion in area, the harvest of oil-yielding crops dropped, totaling only 265,000 quintals compared with 402,000 quintals the previous year and 676,800 quintals in 1978-1979. The main crop, peanuts, experienced a 50-percent drop in production despite a 20-percent increase in area because of the drop in yield from 13.1 to 5.6 quintals per hectare. On the other hand, production of sunflower seeds, an estimated 87,000 tons, rose 62 percent as a result in an 88.6-percent increase in land used in one year: from 7,900 to 14,900 hectares.

#### Vineyards

After the excellent results of the past two seasons, wine production returned to its 1978 level. Totaling 514,000 hectoliters, it dropped nearly 14 percent from one year to the next because of the drought and the aging vines. Continuing their clear recovery, exports totaled 507,000 hectoliters, increasing over 70 percent for receipts of 48 million dirhams, up 65.5 percent. Likewise, sales on the local market increased 10 percent, going from 240,000 to 264,000 hectoliters.

#### Livestock Raising

The lack of rainfall had very harmful effects on livestock raising, which makes up about one-third of all agricultural production. The traditional sector was the hardest hit because the shortage of water was accompanied by poorer pasture and the natural sensitivity to disease of poorly fed livestock. Losses were major, totaling an estimated 30 percent of all animals, mainly sheep, despite the halting of slaughter in Aid El Adha.

Official attempts at counting place the total number of cattle, sheep and goats at some 18.5 million, a 29-percent reduction.

Despite a 20-percent increase in the amount of controlled slaughter, meat production has gone from 142,600 to only 152,900 tons, up only 7.2 percent. On the other hand, provisional estimates indicate that the contribution of poultry has declined some 25 percent.

In 1980, milk production was an estimated 780 million liters compared with 7330 [sic] million in 1979, up 6.8 percent.

Tonnages unloaded following a fishing season considered good rose 15 percent, to 343,000 tons. At the same time, exports of fresh fish, canned fish and fish flour totaled 104,000 tons, up 64.2 percent, totaling receipts of 7,331,000,000 dirhams, up 73.5 percent.

These results obviously are under the possibilities offered by the 3,500 kilometers of coastline rich in fish. As a result, many actions have been taken to modernize and upgrade the oceangoing fleet, to develop and equip fishing ports and to intensify professional training.

Nevertheless, an overall plan to expand fishing must be defined so that it will contribute more to the balanced diet of the people. There must be a better price policy and fish should make up a larger share of exports.

#### Mining, Energy

Particularly sensitive to the international situation, the mining sector suffered from a depressed foreign demand this year and its activity index, which takes only part of all mining production into account, showed a 2.7-percent drop, after declining 4.5 percent in 1980. Nevertheless, although the tonnages exported dropped slightly, export receipts went up sharply because of the jump in value of the dollar and an increase in the average phosphate sales price.

At the same time, the growth rate of the energy sector went up 3.7 percent compared with 1.5 percent last year because of the development in electricity production, while the refining of oil products stagnated. Inasmuch as the local supply of energy dropped because of the reduction in power provided by hydroelectric plants, foreign dependency increased even more and the oil bill once again affected the trade balance heavily. The increase in consumption resulted from the expanded demand of enterprises as well as of both public and private users.

#### Mining

In volume, mining production dropped 2.7 percent, resulting from a decline in phosphates, which play a preponderant role, as well as from a sharp decline in iron and pyrrhotine mining. However, the sector's share of the gross national product did not vary from one year to the next, remaining at 2.9 percent, but the quarry-mining value went from 3,738,000,000 dirhams to ,670,000,000 [sic], marking an expansion of one-quarter instead of a little over 20 percent in

1980, mainly attributable to a strong appreciation of the dollar and an increase in the average phosphate price. The value of phosphate production went to 3,898,000,000, up 36.2 percent, while that of other products dropped 12 percent, from 877 to 722 million as a result of the unfavorable evolution of lead, cobalt, silver and copper mining. Finally, the share of phosphates in mining production went from 76.5 to 83.5 percent.

The same characteristic can be seen in exports, where phosphates are preponderant: 86 percent. Receipts from phosphates rose over 21 percent, despite a 5-percent drop in tonnage.

Finally, sales to local processing industries, two-thirds of which involve phosphates, went from 520 to 865 million dirhams, reflecting the effects of the policy of upgrading mining resources.

#### Phosphates

Some 21.9 million tons of phosphates were mined, up 5.3 percent, but market production of 18.6 million tons fell somewhat after dropping 6 percent already last year.

Quantities shipped abroad, which dropped 8 percent in 1980, totaled 15.6 million tons, down 4.9 percent. This decline results from an expansion of the supply in the face of sagging demand, along with increased prices and a strong dollar. As a result, receipts rose to 3,784,000,000 dirhams, up 28 percent.

The geographical distribution of exports has not been substantially modified. West Europe's share -- the same tonnage as last year, or 10.2 million -- rose from 64 to 65 percent, while that of the socialist countries remained on the order of 18 percent of the total. That of other buyers dropped.

Among the main purchasers, Spain received 2.3 million tons, France 2 million, Belgium 1.5 million and Poland 1.3 million.

Aimed at increasing the value of production and removing it from the uncertainties of the world market, local processing involved 3.6 million tons and represented 18.7 percent of total production, compared with 13 percent a year ago. This resulted in the production of 738,700 tons of phosphoric acid and 420,200 tons of fertilizer. According to foreign trade statistics, 540,100 tons of acid and 270,000 tons of fertilizer were exported for 1,629,000,000 dirhams, up over 72 percent. Total sales of the Moroccan Phosphate Office (OCP) brought in 5,456,000,000 dirhams, up 38 percent, and represented nearly 46 percent of all exports. Despite this increase, they barely cover the oil bill, when in 1978, they were more than a third higher.

With substantial high-grade ore reserves, the OCP continues to improve the production and processing potential. Within such a framework, it was decided to double mining in 5 years thanks to the opening of new reserves at Khouribga and Youssoufia and the initiation of operations at the Sidi Hajjaj and Meskala deposits. Likewise, potential was further increased this year with the startup of the fourth section of Morocco Phosphorus I, now able to supply 660,000 tons

a year. In addition, construction was initiated near Jorf Lasfar of Morocco-Phosphorus III and IV and the future construction of Morocco Phosphorus V at Nador was decided upon.

Attempts to extract uranium using phosphoric acid were made and consultations begun with the main producers for possible industrial extraction.

#### Other Mining Products

The quarry-mine value of all other ores, an estimated 772 million, dropped 12 percent and export receipts fell from 667 to 613 million, a new decline of 8 percent resulting from a favorable trend in tonnage and value of barytine, zinc and chemical manganese and the opposite trend for other ores.

#### Lead

Limited to 168,400 tons, lead production is down some 2.3 percent and foreign deliveries: 67,900 tons for 205 million dirhams, dropped over 15 percent in volume and nearly 27 percent in value. These variations result from the poor international demand, mainly observed during the second half of the year, which definitely affected prices.

Ore not exported was processed domestically, resulting in the production of 50,000 tons of lead metal, mainly destined for foreign markets. In order to process all production locally and with a view to the reopening of the silver-bearing lead mine at Sidi [portion of sentence deleted?] foundry in the Oujda region was decided upon in order to increase the existing processing capacity from 90,000 to 140,000 tons.

#### Barytine

Essentially used in oil research and enjoying sustained demand, the extraction of barytine, put at 463,900 tons, appears to be up 45 percent thanks to the working of the Zelmou deposit in the east.

Mainly headed for the United States, exports totaled 328,500 tons, up nearly 50 percent. At the same time, receipts, put at 92.4 million, nearly doubled as a result of the increased price and the strong dollar.

#### Chemical Manganese

The amount of chemical manganese extracted did not exceed 109,600 tons, down 16.1 percent. Foreign shipments totaled 98,200 tons for 62 million dirhams, up 14 percent.

#### Copper

While the activity of copper mines dropped 3.3 percent, totaling only 23,300 tons, exports of 20,600 tons marked a net rise of 15 percent. However, receipts totaled only 47 million because of a price drop.

An upgrading plant with a capacity of 55,000 tons of concentrate was set up near the Bleida mine, whose reserves total an estimated 2.5 million tons. In addition, it was decided to open up the main gold- and silver-bearing copper deposits at Bou-Gaffer and to install two upgrading units. The anticipated annual production is on the order of 2,600 tons of copper concentrate a year.

#### Other Ores

There was an unfavorable trend for extraction and foreign sales of other ores, down 22.9 and 25.5 percent respectively. Export receipts, already down 4.4 percent in 1980, registered another drop of 13.3 percent, going from 238 to 206 million dirhams, mainly because of the sharp drop in those derived from cobalt and silver. Only zinc and fluorite mining and sales seem to be improving.

Exported in its totality, cobalt production dropped again this year, going from 6,700 to 6,200 tons because of the gradual exhaustion of reserves. Receipts amounted to only 93.5 million dirhams, down more than 3.2 percent from one year to the next mainly as a result of the drop in price.

Likewise, the extraction and export of silver ore dropped 16 and 18.4 percent respectively, but brought in 35 million dirhams.

The low level of reserves and technical difficulties of utilization, combined with the competition from sulfur, caused the closing this year of the Kettara pyrrhotine mine, whose production was only 76,200 tons for 6 million dirhams.

Considering the existence of nearly 300,000 tons of iron ore on hand, production was limited to 50,000 tons, while exports dropped by over half, both in volume and value, totaling 70,000 tons for some 5.6 million dirhams.

On the other hand, given the gradual decline in the world supply, momentarily accentuated by social conflicts at the principal mines and the strong growth in demand in the United States and socialist countries within such a context, exports developed rapidly, totaling 16,800 tons, and brought in 21.6 million.

The extraction of fluorite totaled 66,700 tons, up slightly, and the volume exported brought in 44 million dirhams, up 30 percent.

#### Energy

Energy production, the equivalent of 797,000 tons of oil (TEP), compared with 813,000 last year, dropped about 2 percent because of the decline of hydraulic energy by about one-third, but the relative share of local resources compared with the overall total used declined only slightly.

For its part, consumption, an estimated 4,703,000 TEP, increased by only .4 percent, compared with .9 percent in 1980 following an increase in sales of liquefied fuel and gas and a drop in gas sales, while diesel fuel sales stagnated. As a result, the deficit in the energy balance rose only slightly

In tonnage, with the rate of dependency on other countries remained about 83 percent. Nevertheless, imports of oil products had to be increased by 12 percent, while the bill went up over 57 percent as a result of the strong rise of the dollar.

As in previous years and in order to reduce the burden of the higher cost of oil on the Compensation Fund, the government raised sale prices of oil products, electricity and coal greatly. They also continued their oil prospecting efforts, the search for bituminous schists and the attempt to find other sources of energy.

#### Oil Products

The extraction of gas, which went from 60 to 85 million cubic meters, and that of oil, which went from 13,800 to 17,500 tons, registered a recovery and represented the equivalent of 81,000 tons of oil, or 10 percent of local resources, but only 1 percent of total demand.

The consumption of refined products was 3,894,000 tons, up only .7 percent. Sales of liquefied fuel and gas increased 4 percent and those of light products marked a 3-percent drop.

Actually, the use of butane and propane remained stationary, but the demand for fuel grew 4.5 percent as the result of the double effect of nearly a one-third increase in needs of thermal generating stations and a 9-percent drop in those of other consumers. On the other hand, gas deliveries once again registered a drop of 5.4 percent after the 7.4-percent drop last year following large increases in sales prices. As for the consumption of diesel fuel, it remained steady. Finally, home use of kerosene experienced another drop of a little over 10 percent.

Along with the slow growth in consumption, refining involved 4,172,000 tons, remaining at about the same level of a year ago. Crude oil imports -- 87 percent from the Gulf and the rest from the USSR -- increased by nearly 12 percent and totaled 4,477,000 tons for an FOB value of 5,625,000,000 dirhams, up 57.2 percent compared with last year and 131 percent compared with 1979 as a result of the higher prices and the increase in the dollar. Expenses for this item made up the equivalent of one-quarter of all imports and over 46 percent of all exports.

In order to reduce the volume of subsidies, the government raised sales prices on all oil products except butane on two different occasions, 12 February and 23 October. The total increase from one fiscal year to the next amounts to 51.7 percent and 29.7 percent for fuel and diesel fuel respectively -- these two constitute nearly three-quarters of all consumption -- 23.2 percent for regular gas, 2 percent for super and 17.1 percent for propane.

#### Electricity

The net production of electricity -- 90 percent of which is supplied by the National Electricity Office (ONE) -- is provisionally estimated at 5,326,000,000 kilowatt-hours, compared with 4,937,000,000, a 7.9-percent increase compared

with the previous year. This movement results from a net contraction of electricity produced by water, which suffered from insufficient rain for the second consecutive year. The contribution of the dams, limited to about 1 billion kilowatt-hours, appears to be down nearly a third compared with the level of last year, providing less than 19 percent of all electricity produced and covering only 6 percent of all energy consumed instead of 8 percent in 1980. On the other hand, power supplied by the thermal plants rose 25.3 percent.

Under such conditions, the thermal power plants, bolstered by the startup in January of the Kenitra plant and then in November by the first generator at Mohammedia, were used to maximum capacity, increased to 948 megawatts, while that of the hydraulic plants totals 607 megawatts.

Consumption, an estimated 4,784,000,000 kilowatt-hours compared with last year's 4,434,000,000, rose 7.9 percent, less rapidly than last year. This slowdown was accompanied by an increase in sales prices amounting to from 15 to 29 percent, following the 30-percent increase in the price of the kilowatt-hour that went into effect in September 1980.

[6 Aug 82 p 4]

[Text] The following is the continuation of the third part of the article on energy published in yesterday's edition.

#### Coal

Along with the development of the needs of the thermal generating stations, national production of anthracite, which declined 4.2 percent last year, rose 3.4 percent, totaling 703,000 tons. At the same time, coke imports rose by nearly half, from 28,600 to 42,600 tons.

Domestic and foreign demand rose to 803,400 tons, up 11.7 percent, and was covered to the extent of 100,000 by stock on hand. While the volume of exports was limited to 60,700 tons, down 32.2 percent, national consumption nevertheless totaled 742,700 tons, an 18-percent increase because of the substantially higher needs of thermal power plants, which absorb 93 percent.

The continued expansion of energy needs, combined with higher prices for hydrocarbons, led the government to intensify conservation actions and the development of national resources, along with the search for other sources of energy.

The National Office of Petroleum Research and Operations proceeded to engage in exploration, which led to the discovery of a gas deposit in the Essaouira region whose reserves are now being evaluated. Likewise, construction has begun of a lubricant unit with a production capacity of 100,000 tons and the Mohammedia port will be equipped to enable it to accommodate tankers of up to 150,000 tons.

At the same time, work continued to equip the Mohammedia thermal power plant and preselection notices were issued for construction of a 1,000-megawatt unit using the Timahdit schists.

Finally, studies were continued for the establishment of pilot plants to extract heavy oil from the Tarfaya and Timahdit schists, whose reserves total 220 billion tons.

Industry: Stagnation; Tourism: Clear Recovery

#### Industry

According to the official index, the activity of the processing industry, up 5.4 percent in 1980, stagnated. The added value of the industrial and handicrafts sector, set at 5.41 billion dirhams in constant prices, appears to be down 2 percent, but represents 17 percent of the gross national product, as was the case last year. This overall situation covers a strong improvement in the metal works branch, a substantial decline affecting the leather and shoes and rubber and plastic articles branches, and limited variations in other categories. On the whole, capital goods and semi-finished products enjoyed a rather favorable trend, while consumer goods declined.

The evolution of the industry would undoubtedly have been better if recently created, rapidly growing branches such as hat making, ready-to-wear garments and pharmacy were not excluded from the index or if the index did not attribute an apparently disproportionate importance to others, such as beverages and tobacco. Furthermore, inasmuch as the index was drawn up in 1969, its representative nature is altered, if only because of the fact that enterprises and products that have come on the scene since that time are not taken into consideration. That is the reason why the current index shows divergent trends for certain categories. In particular, slight increases were noted this year in textiles and chemistry, while computed or qualitative figures gathered elsewhere agree in emphasizing their net growth.

Industrial production stabilized at its level of a year ago as the result of domestic demand that has suffered from agricultural setbacks and a negative international environment. Actually, except in certain sectors, exports have not enjoyed the anticipated development and imported inflation has been noted. Cost prices have clearly risen as a result of higher costs of raw materials.

#### Capital Goods and Semi-Finished Goods

##### Metal Industries

Very irregular depending on the branch and even the enterprise, the situation in the metal industries confirmed the 1980 recovery on the whole. The improvement was mainly noted in metal construction and boilerworks, which participated in the completion of major projects concerning phosphates and sugar. On the other hand, the situation remained poor in automobile assembly and in branches linked to consumer goods industries.

While foundry products improved only .2 percent, boilerworks and metalworks developed thanks to orders placed by the Moroccan Phosphate Office and the construction of a sugar mill in El Jadida and a cement works in Casablanca.

The manufacture of metal packing was generally stable, although this stability covered variations. For example, deliveries to fish canneries increased, while remaining the same for vegetable canneries and dropping for other users. Substantially higher the preceding year, the production of railroad equipment had to be greatly reduced as a result of a net drop in purchases by the National Railroad Office.

Continuing a downward trend begun in 1977 as a result of the higher cost of automobiles and their use, the number of automobile vehicles assembled in one year went from 16,708 to 16,226. On the other hand, after three consecutive years of decline, the assembly of utilitarian vehicles rose 6 percent, mainly as the result of government orders. Finally, the assembly of agricultural equipment, which now involves only small implements because of tax exemptions for tractor imports, was further slowed because of the decline in sales resulting from the unfavorable agricultural situation.

#### Chemical and Parachemical Industries, Rubber Processing

The situation continued to improve in chemistry and parachemistry, although at a much slower rate than in 1980: 2.8 percent compared with 14.7, following a decline in domestic demand compensated for somewhat by progress in exports. On the other hand, the processing of rubber and plastics dropped 16.2 percent. Cost prices increased once again, mainly because of the higher cost of raw materials and energy resulting in higher sales prices. In addition, sustained investments were once again made for the expansion of existing plants and the construction of new ones.

The manufacture of sulfuric acid totaled 2.35 million tons, up 22 percent, while the production of fertilizer by the Moroccan Phosphate Office group amounted to 430,200 tons, an increase of nearly 6 percent. Helped by a strong rise in foreign demand, the production of phosphoric acid, not shown by the index, went from 574,000 to 738,700 tons, thus registering an increase of nearly 29 percent. Sales of soda, chlorine and vinyl increased on the local market and abroad and the capacity of facilities was 70-percent utilized. On the other hand, deliveries of oxygen and acetylene slowed down as a result of the irregularity of needs of metallurgy. The same was true of carbonic gas, affected by the strong depression in the carbonated beverage branch. In contrast with the 3-percent drop observed last year, the production of paints and varnish grew 4 percent, linked with the recovery of domestic demand.

The recession in automobile building caused a new 13-percent drop in the manufacture of tires, following the 10.2-percent drop in 1980. The manufacture of rubber articles also dropped as a result of the strong drop in deliveries of conveyor belts for boots and soles and despite the favorable orientation of sales of molded products. The processing of plastics suffered a downward trend, particularly with respect to bottles and the sack and bag trade.

#### Building Materials

According to official statistics, activity in the building materials branch rose 4.5 percent compared with 5.5 percent a year before. Cement production,

put at 3,606,000 tons, increased only 1.6 percent, but totally covered consumption, which dropped 2 percent. Production of brickworks scarcely seems to have exceeded last year's level, while other items, particularly ceramic tile and pipes, showed some increase.

#### Building and Public Works

The building and public works sector continued to drop. Its added value, down 9.4 percent the year before, once again dropped 11 percent. However, building authorizations increased in number 21.5 percent, floor areas 19.1 percent and total values 18.5 percent. New projects essentially involved low-cost housing and, to some extent, rental properties.

#### Consumer Goods, Food Industries

On the whole, food industries registered a 1.4-percent drop for the first time following a drop in demand. Only flour mills and oil refineries had to speed up operations to meet consumption, along with canneries, which enjoyed a good export situation.

The activity of food industries alone dropped 1.6 percent, thus interrupting three consecutive years of expansion. Although the beet crop fell, total sugar production of local origin went from 331,000 to 337,000 tons as a result of a strong increase in the quantity of cane milled and an expansion of processing capacities with the startup of a new unit in Gharb and the expansion of two others. Imports of raw sugar dropped from 281,000 to 270,000 tons as a result in a drop in consumption. Enjoying a particularly favorable situation and regular supplies of imported wheat, industrial flour mills, whose potential was increased by the establishment of three new units in Sidi Slimane, Khenitra and Marrakech and the expansion of many others, increased milling by 16 percent. On the other hand, there was a net decline in the amount of couscous, noodles and biscuits produced. Finally, after a 17-percent drop observed last year, the situation again deteriorated in chocolate making and confectionery.

In contrast, other food industries rose 1.6 percent on the whole, with variations from one branch to another. In the absence of official statistics, the fragmentary information gathered seems to indicate that the grinding of oil-yielding seeds and oil refining showed an increase. Despite the difficulties inherent in the sector, the activity of the fish canneries seems to have improved, essentially because of a resumption of exports to Africa and the Middle East. It also seems that vegetable canneries were on the right track with exports up 6 percent in tonnage and a little more than 10 percent in value, despite the poor harvests of vegetables, olives and gherkins. In contrast, the marketing of fruit juices, canned fruits and especially tomato concentrate suffered from a lack of competitiveness, worsened by the protectionist measures taken by the EEC, especially on tomato concentrate. As a result, production was reduced and one plant in Gharb was closed.

The beverage and tobacco branch, preponderant among the food industries of which it represents 46 percent, was down 2.5 percent as a result in a drop of some 20 percent in beverages and despite a 11-percent increase for tobacco.

Within the framework of the process of gradually replacing imports and as a result of increasing consumption, the pharmaceutical laboratories have speeded up work and in some cases, added equipment.

#### Textile Industries

The .9-percent increase in the textile industries index after three successive years of decline and especially the good results of hat making and ready-to-wear not shown in the official index bear witness to the improving trend in the sector. This change is all the more encouraging because domestically, demand has remained soft while production costs have risen and on the international scene, access to the increasingly protected and very competitive European markets is even more difficult.

Closely linked to the local market, the woolen industry has declined in both spinning and weaving. On the other hand, stimulated by a resumption of exports and a positive trend in domestic sales, the situation in the cotton industry has improved, especially in spinning. Hat making and ready-to-wear are definitely the branches that have enjoyed the most favorable trend. They have benefited from an expansion of markets and have made some major investments.

#### Soap and Detergent Industry

Production of soap and detergents has dropped, following a drop in sales and a substantial increase in prices along with the higher cost of raw materials.

#### Paper and Cardboard Industry

Essentially destined for export, paper pulp manufacturing dropped 2 percent along with a 20-percent drop in foreign shipments, where competition is strong. The paper and cardboard index showed 1.3-percent decline.

#### Leather Industry

The leather and shoe index is down 15.3 percent.

Tanneries have increased their production as a result of an abundant supply of untanned hides, but of mediocre quality. A large share of the production has been stored because shipments have increased very little as a result of fewer purchases by the shoe industry, hit by the lower local and foreign demand.

#### Miscellaneous Industries

Among the miscellaneous industries, one notes a slight decline in woodworking due to a reduced demand for cases and articles of cork, particularly bottle corks. Construction of electrical and electronic equipment has increased 3.3 percent, as a result of an intensification of the assembly of radios and television sets and the making of electrical cable and wire.

## Tourism

Despite a rather unfavorable world economic environment, the tourist movement experienced a net recovery in contrast with the stagnation observed for the past three years. Receipts total 1.6 million dirhams, up 8.5 percent over the preceding year.

This evolution resulted from a 9.9-percent increase in the number of foreign visitors, whose affluence practically equaled the 1973 record, and a 10.3-percent increase in the number of Moroccan residents abroad.

Nevertheless, the expansion in tourism was accompanied by a slight drop in hotel activity. In fact, the number of nights spent in listed lodgings declined 2.8 percent for the first time in four years, totaling 7.6 million dirhams and expressing a shorter stay. This factor, combined with an expansion of the hotel capacity and a shift in demand toward other forms of accommodation caused a 9.6-percent drop in the hotel trade.

Nevertheless, receipts, estimated by the Foreign Exchange Office to total the equivalent of 2.05 billion dirhams -- the equivalent of 12.7 percent of goods and services exported -- rose 14.8 percent, compared with only 7.8 percent in 1980. This increase mainly stems from the higher prices for tourist facilities and increased rates, which affected over half of the nights spent in hotels.

## Tourist Flow

While the number of visitors is steadily dropping, now representing only 4.8 percent of the total, the tourist recovery has been based on the affluence of the visitors who do come. In 1981, they totaled 1,567,074, including 361,188 Moroccans residing abroad, and increased over 10 percent. The seasonal development confirms the trend toward better distribution of tourism, with more visitors during the second half of the year. Transit through Tangiers and Sebta represents 60 percent of the total, compared with 58 percent a year ago, while the use of oceangoing and especially overland means of transportation has expanded at the expense of airlines which, with 43 percent of the travelers, is the least used form of transportation.

The recovery of tourism after the stagnation of the past two years mainly results from the arrival of 1,205,886 foreign tourists. Although the number of visitors from Arab countries has grown, most continue to come from Europe. The French, with 347,565, are the most numerous and made up 29 percent of the total.

## Hotel Infrastructure and Tourist Policy

The development of hotel facilities has intensified, with a new 7.7-percent expansion of the total capacity, which included some 60,000 beds at the end of 1981. Another 11,000 places are available at camping and caravanning facilities.

The availability of an additional 4,320 beds, for an investment of 297 million Dirhams -- half of the expansion during the past three years -- was accompanied by better regional distribution and better distribution among the different categories. On the regional level, 1,808 beds became available in Agadir, 1,590 in Marrakech and 612 in Casablanca. With respect to categories, nearly half of the additional beds were in the four-star hotel category and the rest benefited the average accommodations, particularly tourist residences.

Despite the recovery of tourism, the total number of nights spent in the different categories totaled only 7.59 million, compared with 7,805,530, a drop of 2.8 percent from one year to the next, mainly due to a passing decline in July tourism, particularly in Agadir. The occupancy rate for hotels, which was about 43 percent in 1979 and 1980, fell to 38.7 percent. This decline was less noticeable in luxury establishments, which alone had over half of all nights spent.

The expansion of facilities, the improvement in service and professional training remain the basic objectives of the development policy in the sector. The government is therefore continuing to support private initiative in the equipping of regions with strong growth and seek to encourage new facilities in regions inadequately equipped. It also seeks to diversify accommodations for mass tourism.

However, the recent evolution in tourist activity and the limitations stemming from strong international competition require strong action to improve hotel management and promotional efforts.

[9 Aug 82 p 4]

[Text] Prices, Population, Employment, Wages

The year 1981 was characterized by increased inflationary pressure affecting consumer prices as well as production. This trend resulted from the combined action of internal factors essentially having to do with the effects of the drought and external factors expressed in higher prices for imported products.

The cost-of-living index went up 13.2 percent from one year to the next and 12.5 percent on the average annually, compared with 9.7 and 9.4 percent. Likewise, production prices have once again increased by 16.1 percent. The increase in retail prices was mainly determined by a major rise in the price of food products. The increase would have been even greater if the cost of meat had not gone down. It was brought about by a sometimes inadequate supply and an increase in prices of subsidized products as a result of foreign inflation, whose effects on import costs have been heightened by the stronger dollar.

#### Cost-of-Living Index

The evolution in the cost of living is officially followed by an index referring to five socioeconomic categories found in the eight largest cities in the country and uses 210 articles and services. Because of its makeup -- dominated by food products whose fluctuations determine index variations -- and because

it covers only urban centers and a base period going back to 1972-1973, the representative nature of the index is gradually distorted.

Computed on these bases, the increase in the cost of living was put at 12.5 percent instead of 9.4 percent in 1980 and 8.3 percent in 1979. This upsurge is mainly the result of the effects of the drought on the prices of farm products and the strong June increase in sales prices for basic commodities.

The evolution of the index during the year reflected these limitations. Contrary to the customary profile, no drop was observed in the spring and an increase was registered at the beginning of the year and accentuated in June. Nevertheless, the rise in the index was contained by considerable imports, particularly of grain, and by the drop in the price of meat resulting from massive slaughtering.

Among the eight cities covered by the index, the strongest increase was registered in Casablanca, where it reached 14 percent following a 16.5-percent increase in the food category. In Kenitra, Rabat, Oujda and Agadir, it was very close to the average, while in Tetouan and Marrakech, it was about 11 percent. For the second consecutive year, the lowest increase was observed in Fes, where it did not exceed 9.7 percent.

The range based on groups of products, as shown in the following table [not reproduced] shows that food was the cause of two-thirds of the increase in the index instead of half over the past three years.

Thus, food prices increased nearly twice as fast as last year: by 14.9 percent instead of 7.9 percent, although the price of meat, which generally has a great influence on the trend of the category, showed a drop of 1 percent attributable to major slaughtering forced upon livestock breeders due to a lack of forage crops. On the other hand, heavy increases affected most of the other commodities, sometimes as high as a fourth for those made from grain and fats, a third for sugar, vegetables, spices and condiments, and 20 percent for milk products.

The transportation, leisure and miscellaneous group rose 11.3 percent, less rapidly than the previous year due to a reduced effect of higher prices for petroleum products and above all, to a slower rise in the price of other services, particularly insurance and school supplies.

Expressing near stability of rent, an increase in costs related to housing [sic], the housing index rose 8.5 instead of 12.1 percent.

[portion of sentence deleted] clothing and those related to maintenance, hygiene and health care showed a more marked increase than in 1980, which rose 6.8 and 8.3 percent respectively.

#### Industrial Production, Energy and Mining Price Index

The prices indexes for industrial production, energy and mining, intended to narrow major groupings of national accounting, make it possible to make up for

the elimination of old wholesale price indexes. Referring to the structure of production in 1975 and to a base period running from July 1975 to June 1976, they reflect the evolution of factory prices, excluding taxes, for 171 reference products.

The general production price index, already up 19.8 percent last year, showed a new 16.1-percent increase covering respective increases of 26.7 percent for energy, 33.4 percent for mining and 11.8 percent for industry.

The processing industry index, preponderant with over 68 percent of the total, rose 11.8 percent, compared with 9.6 percent in 1980.

With the exception of clothing and textiles, whose prices rose less rapidly, the other industrial branches suffered more rapid increases than previously, mainly because of the higher costs of energy and imported materials.

The energy price index, up 31 percent, showed another major increase of 26.7 percent due to the cost of supply, which brought about an increase in the sales price of refined oil and derivatives amounting to 44.1 percent.

Likewise, the mining index rose 23.4 percent as the result of a new improvement in the price of phosphates.

On the whole, the acceleration of prices in the industrial production and retail marketing stages appears linked to the effects of the drought and the higher cost of imported products, which caused an increase in prices of basic products, whose contribution to the 12.5-percent increase in the cost of living comes to 4.7 points.

However, the price rise was contained by various measures taken by the government, mainly price controls, but also the supplying of the market and the granting of larger subsidies, which went from 486 to 682 million dirhams for the ONICI [expansion unknown], and from 941 million to 1.42 billion for the Compensation Fund. The latter actually received 874 million instead of 476 million for sugar, 104 million compared with 67 million for dairy products, and 274 million instead of 203 million for oil products.

#### Wages

In order to support the purchasing power, the government decided to raise the guaranteed minimum hourly wage for blue- and white-collar workers in industry (SMIG), which went from 1.96 to 2.36 dirhams, and to raise by the same amount the wages of farm workers, whose daily pay in cash was increased from 10.15 to 12.20 dirhams and who will henceforth be covered by social security.

In the public sector, the first 150 points on the index used as the basis for computing wages of government employees, employees of local collectives and public enterprises were raised by 13 percent on 1 January and the remainder on 1 July.

## Population, Employment

Estimated to total 20.6 million inhabitants, the population is 57 percent rural despite an exodus to the cities, an exodus intensified this year by a poor agricultural season. Furthermore, most of the population is under the age of 20. The arrival of these young people on the labor market makes the employment problem more acute every year.

According to official statistics, 16,972 jobs were created in industry, commerce and services compared with 11,396 last year. There were 5,405 layoffs and jobs eliminated, compared with 4,450 a year ago. The proportion of job applications did not exceed 1 percent in the seven largest cities, which demonstrates the inadequate number of jobs available.

National promotion actions, mainly aimed at fighting unemployment and concentrated in the areas of infrastructure and maintenance, were continued and totaled 8.9 million days worked, corresponding to the employment of 44,500 workers for 200 days, compared with 46,000 in 1980. In addition, a special program was set up to help regions hardest hit by the drought. It involves some 58,000 temporary jobs and the government allocated 10 million dirhams to the fund of the local collectives.

Within the framework of emigration, 16,538 contracts were concluded, compared with 14,071 in 1980, up 17.5 percent, essentially the result of a high increase in the number of those going to Iraq. Jobs offered by France, the main host country, were slightly down for the first time since the heavy hiring in 1975.

In addition, the social conflicts that mainly hit banks, flour mills, chemical industries and metallurgy, were clearly less numerous than in 1980. A total of 359 strikes were counted, compared with 748, causing a loss of 303,921 days of work instead of 575,135 last year.

## Foreign Trade

In an unfavorable international economic context and while world trade remained at a standstill, commercial trade with other countries rose sharply: 30 percent compared with 20 percent the previous year. It totaled 34.5 billion dirhams and makes up 45 percent of the gross national product, thus reflecting both the extent of the needs of the national economy, especially for energy products and foodstuffs and its degree of dependency on other countries.

Imports alone totaled 22.5 billion dirhams, up 33.7 percent, showing more rapid growth than exports, which rose 24.4 percent and totaled 12 billion dirhams. As a result, the deficit grew even worse, rising over 46 percent to 10.5 billion dirhams, an unprecedented sum surpassing even the figure for the end of 1977, which was 8.5 billion, and corresponding to over 10 months of exports instead of nine, as in 1980.

Such a trend results, first of all, from the strong growth in the volume of purchases, mainly of oil and grain, purchases made to relieve the effects of the

drought. It also results from the strong increase in the price of the dollar, which greatly increased import prices on many products, as well as the cost of insurance and freight. Finally, it expresses the effects of a certain liberalization of the import system at the beginning of the fiscal year, one mainly involving the simplification of formalities, an exemption from licenses for over 100 agricultural products and capital goods and their exemption from the preliminary import deposit.

Although substantially higher, exports suffered from the weakness of world economic activity and from protectionist practices of competitors, as well as climatic conditions that affected the shipping of agricultural products. They continued to benefit from incentives, mainly in the area of financing. Despite the improvement in receipts derived from certain products as a result of the stronger dollar, the terms of trade deteriorated again, by some 7.7 percent, the result of a pronounced 30-percent increase in average import prices, in connection with the 20-percent increase in export prices.

Calculated on the CIF-FOB basis -- that is, including the cost of insurance and transport, an estimated 2,695,000,000 dirhams -- the rate of cover of imports by exports went from 57.4 to 53.5 percent.

As a result of the strong growth in energy and food costs, which alone represented nearly half of all import expenditures and absorbed the equivalent of 90 percent of all export receipts [incomplete sentence].

An analysis of balances by category of products, as shown by the table below [not reproduced], shows that as in 1980, with the exclusion of unprocessed products, whose surplus rose 229 million, all categories had deficits. Furthermore, with the exception of the negative balances for semi-finished products and consumer goods, which were improved by 393 and 189 million respectively, those of the other categories grew markedly worse. This was particularly true of the imbalance in energy and food, which rose by 3,427,000,000 dirhams as a result of increased purchases of oil, grain and sugar, but also because of reduced sales of citrus fruits and early vegetables. This imbalance was even greater than that of the trade balance.

The geographical distribution of trade remained practically unchanged, but the deficits rose vis-a-vis most oil-exporting and industrialized countries.

#### Imports

CIF imports totaled 22,455,000,000 dirhams, compared with 16,793,000,000 last year, an increase of 33.7 percent compared with only 17.2 percent. This trend stems from an increase in the tonnages of grain and oil imported and from the increase in prices. The effect of these two factors was particularly clear with respect to imports of food and energy products, which went up 62.8 and 54.6 percent respectively, compared with 32.2 and 43 percent the previous year. Purchases in other categories of goods rose 9.9 percent for semi-finished products, 14.7 percent for consumer goods, 21.7 percent for capital goods and 24.7 percent for unfinished products. Under these conditions, the relative shares of total imports of food and energy products went from 17 to 21 percent and from 24 to 27 percent respectively.

## Food Products

After rising 10.7 percent in volume and 32.2 percent in value in 1980, imports of food products, whose cost increased by 62.8 percent and whose tonnage rose 39.4 percent, went from 2,833,000,000 to 4,613,000,000 dirhams because of poor agricultural results. Shipments of grain and sugar represented nearly three-fourths of the food bill and amounted to 2,388,000,000 and 1,054,000,000 dirhams, up 78.3 and 68.2 percent respectively. In volume, grain rose 48.8 percent and sugar 5.5 percent. The purchase of other commodities, particularly dairy foods, tea and tobacco, also increased and resulted in additional costs of 305 million dirhams despite a drop of 21 million for coffee purchases.

## Energy Products

Inadequate hydroelectric production and a strong increase in the dollar resulted in a net increase of 54.6 percent, compared with 43 percent last year, in the energy bill. The total was 6,125,000,000 for 4.7 million tons, up 11.1 percent. Energy made up over one-fourth of all imports and absorbed over half of all export receipts. Crude oil alone cost 5,624,000,000 dirhams, up 57.2 percent in value and 11.9 percent in volume. Expenditures for other products in the category rose nearly one-third for a substantially equal volume.

Imports of unfinished products totaled 2,457,000,000, compared with the 1980 of 1,971,000,000, an increase of 24.7 percent. Tonnages rose only 8.6 percent.

Mineral products rose by 287 million dirhams or 50 percent, resulting from the nearly 70-percent increase in sulfur purchases. Products of animal and plant origin, which make up nearly two-thirds of the category, registered a growth of only 14.2 percent. This evolution results from a major increase in purchases of unprocessed vegetable oils, wood and cotton and a drop in wool and artificial textile fibers.

## Semi-finished Products

Purchases of semi-finished products, the third-ranking import category after energy and food products, are essentially made up of metallurgical, chemical and textile products and paper and cardboard. They amounted to 3,893,000,000 dirhams, up 9.9 percent despite a 6-percent lower volume stemming from the development of local production.

## Capital Goods

In contrast with the decline over the past three years, imports of capital goods totaled 3.86 billion dirhams, a 21.7-percent increase essentially resulting from higher prices.

## Consumer Goods

Purchases of consumer goods rose 14.7 percent, going from 1,316,000,000 to 1.51 billion. However, they now make up only 6.7 percent of all imports. They mainly include radios and television sets, finished paper and paper products and automobile parts, whose purchases rose sharply. However, purchases of automobiles and medicines declined.

## Exports

The volume of exports once again dropped: by 3.9 percent, as a result of lower tonnages in all categories with the exception of semi-finished products and consumer goods. However, in value they totaled 12,003,000,000, up 24.4 percent. This increase resulted from sales of phosphates and derivatives, which alone brought in 5,456,000,000, up 37.8 percent. Raw or processed fishing products and consumer goods increased 110.8 and 35.2 percent respectively.

On the whole, the share of the different categories of goods was slightly modified. In particular, that of primary products went from 74.4 to 70 percent, reflecting the effort to upgrade local products.

## Food Products

Although food products dropped 5.5 percent in tonnage as a result in the decline in shipments of citrus fruits and early vegetables, exports of food products, amounting to 3.04 billion, appeared to be up 17 percent, essentially due to an improvement in sales of fishing products which, with 980 million, marked a lively recovery of 110.8 percent and, to a lesser extent, to sales of canned fruits and vegetables bringing in 284 million.

## Unfinished Products

Exports of unfinished products totaled 4,825,000,000 dirhams, up 17 percent despite the 4.8-percent decline in quantity. Although tonnages dropped 5.4 percent for receipts derived from phosphates alone -- phosphates represent over 80 percent of the category and one-third of all exports -- the total was 3,827,000,000 dirhams, making an increase of 27.1 percent, explained by higher prices and especially, the increase in the dollar. Sales of products of animal and plant origin totaled 337 million, down 15.5 percent, mainly as a result of the drop in sales of olive oil.

## Finished and Semi-finished Products

Expansion of local manufacture of phosphoric acid and fertilizers made it possible to increase shipments of semi-finished products 39 percent in volume and 55 percent in value, to 2,096,000,000 dirhams. Phosphoric acid alone provided receipts of 1,342,000,000 dirhams, up 69.2 percent. Their share of total exports went from 14 to 17.5 percent.

Finally, totaling 1,499,000,000 dirhams, exports of finished products rose 34.4 percent, mainly because of increased sales of ready-to-wear clothing and hats, an improvement of 41 percent. Sales of rugs and shoes increased only 7 percent.

## Geographical Distribution of Trade

The distribution of commercial trade with other countries did not change substantially, but was generally characterized by a worsening of the imbalance vis-a-vis all economic and geographic areas.

Among the European countries with which nearly 64 percent of all foreign trade takes place, the EEC, the front-ranking partner, absorbed 49.2 percent of all sales for a value of 5,902,000,000 dirhams and supplied 44.7 percent of all imports, for a total of 9,131,000,000 dirhams. The trade balance with this area thus had a deficit of 1,229,000,000 dirhams, up 1,049,000,000 or 48 percent, due to increased purchases of food products and capital goods and to declining exports of farm products. The deficit in trade with France amounted to 2,937,000,000 dirhams, up 69 percent, resulting from purchases costing 5,551,000,000 and sales of only 2,614,000,000, 23.7 percent of all transactions with other countries.

With respect to the rest of the world, one can observe that the deficit with oil-exporting Arab countries increased, totaling 4,403,000,000 dirhams compared with 2.86 billion, up 54 percent. The same trend can be seen vis-a-vis most other countries, particularly the United States, with which the total went from 958 million to 1,435,000,000 from one year to the next. Although the deficit with Spain remains high, it dropped 14.1 percent.

The policy of liberalizing foreign trade implemented in recent years is hindered by a high trade deficit, representing over 13 percent of the gross national product and requiring foreign resources -- whose mobilization is difficult and costly -- for its financing. It is also thwarted and checked by the renewal of protectionism mainly instituted by industrialized countries, particularly those in the EEC, whose attitude toward existing agreements and whose expansion to rival countries are a matter of constant concern. Under such conditions, it has become essential to adopt an overall foreign trade strategy immediately. Such a strategy should define the development of our relations with the EEC and establish internal measures that must be taken so that our production will be adapted to foreign demand.

[10 Aug 82 p 4]

[Text] Public Finances

In 1981, even more than during preceding fiscal years, estimated resources as well as expenditures were wide of the mark set by the budget. Consequently, it is more the results than initial calculations that enable one to judge the evolution of public finances and their impact on the economic and monetary situation. The budget in fact remains the necessary framework for the presentation of government intervention, but reflects only imperfectly the various limitations, particularly in the area of financing, that may hinder execution.

Although higher than in 1980, actual equipment expenditures remained under the sum of allocations and carried over credits. Inversely, regular expenditures greatly exceeded ceilings for the second consecutive year, ceilings set because of the increased consumer price subsidies and the increase in service on the foreign debt, mainly because of the stronger dollar and international interest rates.

The fiscal year ended with a deterioration in budgetary planning which, contained during the first six months in keeping with the program of adjustments then in effect, could not be avoided, thus resulting in a major increase in the

current deficit, now totaling 2.3 billion dirhams, and an unprecedented overall treasury deficit of 13 billion. This amount represents 16.5 percent of the gross national product, a proportion comparable to that of 1977 on the eve of the establishment of a rigorous plan of financial recovery. The sum is all the more alarming because it could not be covered without substantial additional foreign aid and the issuance of money.

The results stem, on the one hand, from exogenous factors which are undoubtedly circumstantial, but the fact remains that any lasting financial recovery can only come from a rationalization of spending by public departments through the application of a policy of austerity and the drafting of a better adapted tax and customs system.

#### Budget

The budget showed a need for financing on the order of 10 billion, resulting from an increase in budgetary and extrabudgetary funds of about 7 percent, twice as high as in 1980. Its cover had to be provided by some 7 billion dirhams in long-term loans essentially to be contracted abroad, the rest through mainly monetary treasury means.

The ceiling for expenditures was set at 35 billion dirhams, up over 5 billion. Personnel and equipment expenditures were raised 1.8 billion and consumer price subsidies by 1 billion, while credits allocated to service on the debt were increased only 320 million. For their part, allocations for the equipment budget showed an expansion of 1.6 billion, following the reduction in 1980.

With the exclusion of loans, resources totaled nearly 25 billion, with the increase of 4.2 billion to essentially come from taxes.

#### General Budget Spending

Totaling some 28.2 billion dirhams, spending in the general budget increased 4.6 billion following a substantial hike in regular spending and investment credits, up 20.1 and 18.6 percent respectively.

The regular budget, for which payments amounted to a little under 17 billion in 1980 compared with an initial package of 15.1 billion, totals 18.2 billion this year. Out of that total, some 9.2 billion, up 18.2 percent from one budget to the next, was allocated for personnel expenditures to meet the approximately 10-percent increase for some salaries and the effect of the creation of some 40,000 jobs. Equipment expenditures, set at 3.4 billion, were increased by 13.5 percent. Over half of the increases in credits helped the ministries of National Defense, Security, National Education and Professional Training, which continue to absorb nearly three-fourths of the budget allocated for personnel and equipment. Regular expenses were raised to 2.3 billion dirhams, including 1.4 billion for consumer price subsidies, a sum effectively reached at the end of 1980. Finally, expenditures for interest and principal on the public debt -- whose package turned out to be clearly inadequate -- were an estimated 2.8 billion.

Investment expenditures, reduced slightly in the previous budget, were increased by 18.6 percent and set at 10 billion. New credits were essentially allocated to economic administrations: The allocation for the Ministry of Equipment went to 3 billion dirhams and that of the Ministry of Agriculture doubled from one year to the next, totaling 1.5 billion. In contrast, funds of the Ministry of Finance were substantially reduced because of the amount of credits not used during the previous fiscal years.

#### General Budget Receipts

In the absence of new taxes, overall resources of the general budget were put at 25.7 billion dirhams, up 18.6 percent as the result of a 21.6-percent increase in regular expenditures and a 11.3-percent increase in loan resources.

Estimated regular receipts were set at 18.6 billion, nearly nine-tenths of which -- 16.5 billion dirhams -- were to come from tax proceeds, up 19.2 percent, twice the 1980 rate. Additional receipts were expected from customs and from production and consumer taxes, which was to raise the share of indirect taxes from 71 to 74 percent of the total, thereby reducing the share of direct taxes, which had increased considerably in recent years.

The inadequacy of regular budget receipts made it necessary to increase borrowing. The total authorized was 7 billion dirhams, including 5.5 billion in foreign loans, to be used to cover 70 percent of all investment spending.

#### Budget Execution

The deterioration in public finances evident in budget planning was marked in practice, as shown by the very substantial worsening of the treasury deficit, which rose from 8.5 to 12.8 billion dirhams, heightened by the reappearance of a large current imbalance. The imbalance totaled 2.3 billion dirhams compared with 1.4 billion a year ago, even though the budgets foresaw slight surpluses!

Actually, despite a substantial increase on the order of 17 percent, regular receipts amounted to only 17.8 billion rather than the anticipated 18.6 billion dirhams. In contrast, regular expenses, put at over 20 billion, exceeded the credits opened as the result of the rise in consumer price subsidies and the unexpected increase in service on the foreign debt. These charges alone represented over 32 percent of the total instead of 26.8 percent 12 months earlier. At the same time, actual equipment expenditures totaled 9.4 billion dirhams, thus marking an increase of 9.4 percent, in contrast with the 5-percent drop last year. Finally, special accounts and funds reserved for scheduled expenditures left a deficit of over 1.3 billion dirhams, although they had yielded a surplus of nearly the same amount at the close of the preceding fiscal period.

In order to meet its increased needs, the treasury had to resort to more foreign capital, making it possible to cover 72 percent of the deficit compared with 66.5 percent the preceding year. The rest was financed out of internal resources, 85 percent of them being monetary means, compared with two-thirds the previous year.

## Receipts

Regular receipts brought in 17,787,000,000 dirhams, 2,594,000,000 more than in 1980. This result was achieved thanks partially to payments from the Moroccan Phosphate Office, which went from 800 million to 1.431,000,000 dirhams and provided over 8 percent of all regular resources compared with 5.3 percent previously, and partially to other income which provided a total of 16,356,000,000 dirhams, up 13.6 percent. The same improvement did not characterize tax receipts, put at 15,101,000,000 dirhams, up only 11.2 percent instead of 17.2 percent as in 1979 and 13.7 percent in 1980. On the whole, fiscal pressure, measured by the ratio of taxes collected to the gross national product, remained close to 19.4 percent, a rate practically unchanged since 1979. The share of indirect taxes, which remains preponderant, once again dropped, from 40.4 to 38.8 percent, as a result of the reduction in proceeds from consumer taxes. On the other hand, the share of customs tariffs continued to grow, from 26 to about 28 percent, while the share of direct taxes went from 23.8 to 24.1 percent.

Without achieving the anticipated amount, direct taxes provided 3,634,000,000 dirhams. Their increase of 403 million, or 12.5 percent, is half due to the tax on professional profits and the rest to the national solidarity tax, deductions from wages and salaries and the additional contribution.

Exceeding budget estimates, customs duties totaled 4,213,000,000 dirhams, a 19.3-percent increase resulting from the development of commercial trade with other countries.

Treasury subsidies for consumer prices on certain basic products totaled 2,102,000,000 dirhams, compared with 1,427,000,000 previously, an increase of 47.3 percent.

The rate of increase of indirect taxes was the lowest in three years, however, and did not exceed 6.8 percent, bringing total receipts to 5,858,000,000 dirhams. The slowdown is due to the drop in proceeds from domestic consumer taxes.

Likewise, recording taxes and stamp duties increased only 4.3 percent, totaling 1,386,000,000 dirhams.

Finally, revenue from monopolies and public domains and assistance funds increased by 448 million to total 1,255,000,000 dirhams.

## Expenditures

While regular resources rose by only 2,561,000,000 dirhams, expenditures in the general budget and investments contained in auxiliary budgets amount to 29.43 billion, up 4.3 billion or 17.1 percent. The increase is attributable to the 9.4-percent increase in investments and four-fifths to regular expenditures, which rose, as in 1980, by nearly 3.5 billion, or about 21 percent.

At 13.57 billion, operating expenditures rose 1.99 percent, compared with 20 percent the preceding year. The increase in payments, amounting to 1,446,000,000, is mainly explained by the 13-percent increase in two stages of lower salary levels.

[portion of sentence deleted] despite price increases during the fiscal year to relieve government spending. The Compensation Fund received from this source 1.42 billion, including 274 million dirhams for oil products and 874 million for sugar, while 485 million were allocated to the National Inter-professional Office for Grain and Legumes and 197 million paid for fertilizer.

Up over 45 percent, service on the public debt amounted to 4,391,000,000 dirhams, compared with 3,015,000,000, and continues to absorb a constantly growing share of regular resources: nearly one-fourth this year and nearly 20 percent in 1980. Out of this total, interest payments represented 2,865,000,000 dirhams and payments on principal 1,526,000,000, up 62.3 and 22 percent respectively. The domestic debt resulted in payments of 939 million, including 245 million for amortization and 694 million for interest. As for expenses for the foreign debt, up from 2,298,000,000 to 3,452,000,000 dirhams, they constituted nearly four-fifths of the overall outlay. This strong increase substantially exceeded estimates and resulted from an increase in amortizations, but especially, from a high increase in interest, totaling 2,171,000,000 following strong increases in the dollar and international interest rates.

For the second consecutive year, overruns for debt expenses and price subsidies brought about a deficit in regular operations that was strongly accentuated, going from 1,373,000,000 to 2,276,000,000 dirhams. This imbalance, which thereby reduced funds available internally for investments, meant that only increased borrowing would make it possible to cover equipment expenditures that rose from 8,565,000,000 to 9,367,000,000 dirhams, a 9.4-percent increase following a reduction of 5 percent. The year's expenses are joined by another 606 million in payments for previously scheduled spending. Nevertheless, in nominal terms, equipment expenditures scarcely meet the 1977 level before the application of measures to reduce government spending.

Finally, the treasury took over the deficit of 727 million dirhams left by special accounts. The deficit therefore totaled 12,848,000,000 dirhams compared with 8,502,000,000 at the end of the past fiscal year, a deterioration of over half.

#### Financing Treasury Deficit

Under such conditions, the treasury had to increase its appeal to foreign loans by nearly 70 percent. The 8,432,000,000 dirhams alone covered nearly two-thirds of all financing needs, compared with 57.5 percent in 1980. The share of foreign capital actually comes to 72 percent if one includes the mobilization for the countervalue of 821 million dirhams in two drafts granted by the International Monetary Fund. Internal resources totaling 3,596,000,000 dirhams rose nearly 24 percent by expansion alone from 1,962,000,000 to 3,047,000,000 dirhams in monetary means, constituting

85 percent instead of 68 percent the preceding year. In total terms, however, monetary creation financed 23.7 percent of the treasury deficit, scarcely 1 point more than in 1980.

The equivalent of the foreign aid mobilized by the treasury, excluding the credit from the International Monetary Fund, was increased from 4,975,000,000 to 8,432,000,000 dirhams, an unprecedented level.

Gross long-term capital receipts totaled 6,539,000,000 dirhams, essentially collected within the framework of bilateral cooperation and from regional and international organizations. For their part, medium- and short-term aid, a net 1,893,000,000 dirhams, was out of all proportion with that seen in 1980.

#### Domestic Loans

On the domestic market, the treasury was able to find 1,887,000,000 dirhams, up 19.6 percent. Long-term loans brought in 735 million, including 443 million from 15-year government bonds from the Deposit Office and insurance companies, 137 million in 10-year equipment bonds using the investment reserve of enterprises, and 32 million in treasury bonds acquired by the sale of capital accounts belonging to nonresident foreigners. The increase in the medium- and short-term debt stems from the expansion of public bills in case of the banks for 1,053,000,000 dirhams.

#### Treasury Deposits and Postal Check Center Deposits

Movements of funds deposited with the treasury and the postal check center yielded a slightly negative balance at the end of the fiscal year. Actually, it was the nonmonetary assets belonging to government organizations or local collectives that dropped substantially, with deposits of banks, enterprises and private parties increasing this year by 346 million dirhams, despite the decline in import deposits.

#### Issuing Institute

Additional facilities of the Bank of Morocco in the treasury totaled 1,648,000,000 dirhams, compared with 1,259,000,000 a year previously, bringing the liability of the Issuing Institute on the government to 9,774,000,000. While conventional advances remained fixed at 5.5 billion, cash made available each year amounted to 1,601,000,000 dirhams, up 67 million. Used on the 300 days authorized, it was totally mobilized by the end of the fiscal year. On the other hand, indirect advances mainly made up of bonds of financial establishments rose sharply, by 1,497,000,000 dirhams and totaled some 2,359,000,000. Furthermore, assets of the Bank of Morocco in a regular postal account, totaling 175 million, rose 84 million. While the share of the total treasury deficit financed out of monetary resources was slightly increased, amounting to 23.7 percent, that of the Issuing Institute did not exceed 12.8 percent, compared with 14.8 percent last year.

## Financial Relations With Other Countries

The relative improvement in the balance of payment situation in 1980, made possible by the implementation of recovery measures, could not be continued. The deficit in the current account, which appeared in 1975 and which was contained to 5,589,000,000 dirhams last year, grew much worse, totaling 9.63 billion, or 12.4 percent of the gross national product instead of 8 percent, despite new and appreciable progress in exports, transfers of savings and tourist income. In fact, structural factors were joined this year by particularly unfavorable circumstantial elements. This is principally the case of a slump in world demand, which hurt sales abroad, a grave drought making it necessary to import substantial quantities of food products and energy products to make up for the drop in hydroelectric power, and finally, the strong increase in the dollar, which greatly raised the cost of food and energy, nearly entirely responsible for the worsening situation.

And yet, the negative balance of payments was confined to 447 million thanks to more foreign financing.

The net amount of foreign exchange reserves came to 1,093,000,000 dirhams at the end of the year, compared with 1,533,000,000, down as a result of the deterioration in net convertible assets from 1,675,000,000 to 1,263,000,000 dirhams and in that of the debit balance vis-a-vis the bilateral zone. In gross sums, reserves scarcely varied from one year to the next, but now represent only 1.6 months of CIF imports instead of 2.2 months at the end of 1980.

### Balance of Payments

The goods and services imbalance worsened once again along with the expansion of imports, government spending abroad and interest paid on the foreign debt. Thus, despite the continued development of tourist receipts and especially of the surplus from transfers with no counterpart, the negative balance in current operations went from 5,589,000,000 dirhams to 9.63 billion from one year to the next, representing 12.4 percent of the gross national product compared with 8 percent a year previously. This marked deficit could not be totally covered by receipts of nonmonetary capital totaling 8,284,000,000, recourse to the expanded facilities of the International Monetary Fund for 821 million and 78 million under the third allocation from that organization of special drawing rights. The balance of payments was negative: 447 million dirhams, greater than that registered in past years, as shown by the table [not reproduced].

### Goods and Services

Reaching the high sum of 15,157,000,000 dirhams instead of 9,984,000,000 a year previously, the imbalance in goods and services experienced, despite major progress in tourist receipts, a strong decline, mainly due to continued deterioration of commercial trade, higher interest on the foreign debt and increased governmental spending abroad.

Operations involving goods showed a negative balance of 8,053,000,000 dirhams, up 2,717,000,000 and far exceeding the unprecedented sum of 1977. Exports

amounted to 11,807,000,000 dirhams, up 2,302,000,000 due to the development of exports of phosphates and derivatives. Imports, totaling 19.86 billion, expanded over one-third as a result of increased purchases of capital goods and semi-finished products, but also as a result of purchases of energy and food products.

Going from 1,539,000,000 to 2.16 billion, the deficit in the transport and insurance category increased by 621 million, with expenditures totaling 2,709,000,000 and receipts 549 million dirhams.

Along with the increase in the number of visitors, foreign exchange receipts from tourism went up 14.8 percent, totaling 2.05 billion dirhams and thus procuring, taking funds granted to residents traveling abroad into account, a surplus of 1,565,000,000, compared with 1.4 billion in 1980. Effective receipts going through the banking system in this way amounted to 1,869,000,000 dirhams, compared with 1,553,000,000 a year earlier, with outlay totaling 398 million compared with 329 million a year before.

Increasing constantly since 1975, the repatriation of revenue from capital of nonresidents went from 2,361,000,000 to 3,825,000,000 dirhams, mainly due to a new and major increase in interest on the foreign debt, which rose to 3,538,000,000 from 2,078,000,000. Foreign investments brought in 192 million compared with 148 million 12 months previously. Therefore, the negative balance here rose by nearly two-thirds, totaling 3,633,000,000 dirhams.

Finally, government transactions yielded a negative result of 33,271,000,000 dirhams, a net increase as the result of expenses of 3,612,000,000, up sharply. Receipts of funds needed to operate embassies and international institutions in Morocco did not exceed 341 million.

#### Transfer Payments

Transfers without counterpart brought in 5,527,000,000 dirhams, compared with 4,395,000,000 a year previously.

Actually, despite economic difficulties prevailing in host countries and despite the elimination at the beginning of the fiscal year of the 5-percent transfer bonus instituted in 1973 to the benefit of remittances of funds sent from abroad, the repatriation of savings of Moroccan workers abroad, which still constitutes most of this entry, increased by over one-fourth, totaling an unprecedented 5,242,000,000 dirhams. With 306 million, transfers as the result of definitive departures and those from wages of foreign residents working in Morocco remained practically unchanged.

Net transfers in favor of the public sector scarcely equaled 48 million. Receipts of 3,377,000,000 dropped 6.9 percent, while participation in operating expenditures of international organizations and payments of pensions and gifts granted as part of cooperation totaled 334 million, up more than half.

The total surplus from transfers made it possible to cover 36.5 percent of the deficit in transactions involving goods and services, compared with 44 percent

a year previously. This brings the amount of nonmonetary capital needed to balance payments to 9.63 billion.

### Nonmonetary Capital

Without considering the 821 million dirhams corresponding to special drawing rights granted by the International Monetary Fund and nearly 78 million dirhams in countervalue to the allocation of 15.3 million in special drawing rights granted by the organization, the net flow of nonmonetary capital represented 8,284,000,000 dirhams, up 79.6 percent and exceeded the 1977 level. This balance was possible despite an increased outlay from 3,621,000,000 to 4,615,000,000 dirhams and thanks to a nearly 57-percent increase in receipts added to the unprecedented amount of 12,899,000,000 to both the public and private sectors.

The surplus in private operations amounted to 1,267,000,000 dirhams, compared with a negative balance of 448 million the previous year. This exceptional result stems from the extent of commercial credits obtained by importers, set at 1,809,000,000 instead of 547 million, while privileges granted to foreign customers, amounting to 1,172,000,000, changed little from one year to the next. Thus, a positive balance of 637 million followed the deficit of 636 million registered the year before. Private loans and investments did not exceed 301 million, with expenses totaling 3.32 billion and receipts 621 million, including 484 million through the transfer of foreign exchange, 25 million through the incorporation of reserves and 103 million through the use of deposits in current accounts.

The net amount of nonmonetary capital collected by the government and public establishments totaled 7,017,000,000 dirhams, marking an increase of 38.7 percent. Resources went from 7.11 billion to 10,123,000,000, including commercial credits of 1,132,000,000 and foreign exchange loans for a total of 8,956,000,000. Outlays totaled 3,106,000,000, including 2.97 billion for repayment of the debt, compared with 2,025,000,000 the previous year. The overall expense of the foreign debt thus comes to 6,508,000,000, compared with 4,103,000,000, including principal and interest, representing 29.2 percent of total current receipts instead of 22.8 percent last year and 20.7 percent in 1979.

### Regulation of Commercial and Financial Relations With Foreign Countries

Within a framework of regulations remaining fundamentally the same, a certain number of measures aimed at greater flexibility were adopted concerning imports and transfers.

Regarding commerce, one could point to a partial lifting of administrative restrictions, particularly the freedom to import over 100 additional types of goods, the lifting of the ban on certain products and elimination of the import deposit for most capital goods, mainly for agriculture and industry. In addition, within the framework of the program to fight the effects of the drought, tractors and other equipment, as well as livestock feed, have been exempted from the import tax.

Transfer regulations are also more flexible. In this area, holders of suspense accounts whose balance was under 10,000 dirhams on 31 December 1980 and those who had under 20,000 dirhams in capital accounts received an authorization, valid until 30 June 1981, to transfer those funds abroad. In addition, conditions for investment in treasury bonds of funds in capital accounts were improved, the duration reduced from 7 to 5 years and their rate of remuneration increased from 5.5 to 6 percent. Likewise, amounts transferable in case of definitive departure were increased and set at 10,000 per year for a stay of not over 9 years and up to 350,000 dirhams when the stay is over 24 years. At the same time, foreigners other than wage earners, doctors or related professionals working in Morocco can henceforth transfer up to 2,000 dirhams a month on declared profits. For business trips of professionals in tourism and exporters, the maximum daily allotment was increased from 500 to 750 dirhams and the amount per trip from 7,500 to 10,000 dirhams. Finally, foreign students in higher education outside of Morocco can henceforth receive up to 1,000 dirhams a month.

In addition, begun in 1971, the process of eliminating bilateral trade under the clearing system has led to the elimination, effective 1 January 1982, of the payment agreement with the USSR.

Concerning the quotation of foreign exchange, the external value of the dirham expressed in special drawing rights dropped nearly 11 percent, mainly because of the strong increase in the American dollar, and 1.1 percent vis-a-vis the European monetary system. In comparison with the main world currencies, it has depreciated 18.7 percent vis-a-vis the American dollar, 17.2 percent compared with the Swiss franc and 6.4 percent vis-a-vis the German mark. On the other hand, it has gone up 2.7 percent compared with the French franc and 4.9 percent compared with the Italian lira.

It has become necessary and urgent to improve foreign accounts on which current economic activity and its future development depend. Such action depends on an improvement in the trade balance, which appears to be at the root of the deficit in current operations. Depending on imported raw materials, semi-finished products and capital goods, our growing production will not fail to exert an even greater effect on our trade. It is consequently essential to limit purchases of food abroad. In the years ahead, the country will not only have to pay back the debt previously contracted, but will also have to increase its foreign exchange reserves, the guarantee of lasting development.

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# RESULTS OF OIL EXPLORATION EFFORTS REPORTED

Casablanca LA VIE ECONOMIQUE in French 20 Aug 82 p 3

[Text] In the course of an inspection tour of the province of Essaouira and the Meskala region, Minister of Energy and Mines Moussa Saadi made an assessment of oil prospecting in this zone, which appears for the time being to be the most productive. Below we give the essence of his report and contribute some further details. The studies in depth which have been pursued in the region have revealed:

--The existence, in the Kechoula deposit (discovered in 1957) to the north-east of the Meskala deposit, of gas reserves estimated at more than 280 million cubic meters, with an annual production potential of 25 million cubic meters of natural gas.

--The reserves in the Jeer deposit discovered in 1958 to the south of the Meskala deposit come to more than 130 million cubic meters, with a production potential of 10 million cubic meters per year.

--The oil in the Sidi Ghalem deposit (1958), from which 17,000 tons of crude oil were taken out in 1979, should at least bear out its promise, if indeed it does not prove even more important (the initial reserves were estimated at 800,000 tons, and have been exhausted). New drilling undertaken by the SCP [Moroccan Petroleum Company] this year led to the discovery of two reservoirs, one overlying the other.

--The N'Dark deposit, recently discovered, might be as important as the Toukimt deposit, where the reserves are assessed at 250 million cubic meters of gas and 300,000 tons of oil.

However, the fact nonetheless remains that the largest deposit in the province of Essaouira and anywhere in Morocco is the Meskala deposit, the discovery of which was officially announced toward the end of 1981.

Let us note that it was in 1977 that the Meskala 1 (MKL 1) well revealed the presence of gas. Two supplementary drillings, MKL 101 and MKL 102, have been undertaken.

The first well drilled (MKL 1) showed geologists, for the first time in the history of Morocco, the existence of gas reserves under high pressure in the so-called Triassic sandy strata (belonging to the first period of the secondary era).

The second well, MKL 101, which reached a depth of 3,824 meters, revealed the presence of gas accompanied by condensate, in a proportion ranging from 20 to 25 percent.

The third well, MKL 102, which reached a depth of 4,830 meters, confirmed the facts established during the first two tests, and will make it possible to assess the extent of this deposit and its reserves.

What should be stressed is the extreme pressure under which the gas is found: 620 kg per square meter. Let us note, moreover, that the production tests undertaken at the MKL 101 well in February of 1981 had to be interrupted as a result of technical difficulties resulting from poor drilling conditions. At that time the flow was estimated at 32,500 cubic meters per day. At the end of 1981, it was possible to resume testing and the flow obtained was 150,000 cubic meters per day and 425,000 cubic meters per day, as well as oil condensate at 53 cubic meters per day during the second test, and 144 cubic centimeters per day during the third.

The reserves are estimated at 400 million cubic meters per square kilometer.

Mr Moussa Saadi stressed that all of these results were obtained thanks to the financial effort of the state and the \$50 million loan granted our country by the World Bank. In this connection, it should be noted that negotiations are currently in progress with that bank with a view to obtaining a second loan of \$117 million.

In his report, Mr Moussa Saadi also dealt with the aspects pertaining to prospecting for mining resources in the province of Essaouira, in particular bituminous schist and uranium.

Where the Meskala phosphate deposit is concerned, the minister explained that the OCP [Moroccan Phosphates Office] is currently engaged in studies with a view to exploitation toward 1990, at a production rate of 10 million tons per year.

Mention was also made of the proposed construction by the BRPM [Mineral Prospecting and Investment Office] of a metallurgical complex in Essaouira, consistent with the royal directives calling for maximal development of Moroccan mining products.

In this connection, the minister of energy and mines said that this industrial unit will have a processing capacity of 170,000 tons of copper concentrate, with a view to the production of 46,000 tons of refined copper, 15,000 tons of gold and silver, as well as 142,000 tons of sulfuric acid.

(Editor's note: It should be recalled that Bleida produces 55,000 tons of copper concentrate annually, and including this, Morocco's total production does not exceed 70,000 tons).

The completion of this project will require an investment of 740 million dirhams, and will make it possible to provide 360 permanent jobs.

On the subject of new and renewable energy sources, Mr Moussa Saadi announced that his department, working with the local collectives, plans to build a water pumping station which will be operated by wind energy in Sidi Bounouar next year. The cost of this project, which will make it possible to irrigate 450 hectares, will be 1 million dirhams. Moreover, the ONE [National Electricity Office] will undertake the electrification of 11 rural centers and will undertake a study with a view to building a power plant to utilize the gas from Toukimt.

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Sept. 23, 1982